

R E M A R K S

Prior to entry of this Amendment:

- Claims **1-44 and 46-167** were pending in the present application
- Claims **75-86, 88-93, 96-143 and 154-161** are pending and have been withdrawn from consideration
- Claims **1-74, 87, 94, 95, 144-153 and 162-167** stand rejected

Upon entry of this Amendment, which is respectfully requested for the reasons set forth below:

- Independent Claims **1, 48, 58, 87 and 162-167** will be amended
- Claims **1-44 and 46-167** will be pending
- Claims **75-86, 88-93, 96-143 and 154-161** will remain pending and withdrawn from consideration
- Claims **1, 48, 58, 75-79, 81-88, 90-96, 107-112, 125, 129-131, 136-138, and 144-167** will be the only independent claims

A. The Examiner agreed to provide evidence for any rejection relying on “Official Notice”

As discussed in further detail below, the Examiner has relied inappropriately on Official Notice in rejecting all of the dependent claims and has never established a *prima facie* case of obviousness of any dependent claim.

The Examiner agreed in the Telephone Interview that no evidence had ever been provided of subject matter for which the Examiner simply took “Official Notice.” The Examiner agreed to provide such evidence in any future rejection. [Examiner’s Interview Summary mailed September 14, 2004].

We are grateful for the Examiner’s agreement to correct the rejections relying on “Official Notice.”

B. Telephone Interview

We are grateful for the Examiner's granting of a Telephone Interview held September 9, 2004 with Applicants' representative.

Our representative stated that Claim 45 already had been cancelled in an Amendment mailed June 25, 2004 (after filing of a Notice of Appeal). The Examiner agreed to have that Amendment entered. [Regardless, the status of Claim 45 as cancelled is clearly indicated in the present Amendment].

Our representative noted that the Examiner had previously agreed to provide references in support of "Official Notice." Our representative also stated that the Examiner in the present Office Action still maintained rejections that relied on "Official Notice." The Examiner again agreed to correct any rejections based on "Official Notice" by making evidence of record.

We are grateful for the Examiner's agreement to correct the rejections relying on "Official Notice."

C. Claim Amendments

C.1. Independent Claims 1, 48, 58, 87 and 162-167 have been amended without prejudice

No new matter has been added.

Although we maintain that all claims as originally filed were directed to statutory subject matter under § 101, each of independent Claims **1, 48, 58, 87 and 162-167** has been amended to incorporate limitations that we hope will satisfy the Examiner's novel and extraneous "technology arts" requirement. The amendments are made solely in order to limit the amount of resources expended on this application by reducing the number of potential issues for appeal. The specific amendments are discussed in further detail below.

We reserve the right and intend to pursue the originally-filed subject matter in a continuing application.

D. Section 101 Rejection

Claims **1-74, 87 and 162-167** are rejected under 35 U.S.C. § 101 as being directed to non-statutory subject matter for failure to recite a limitation “in the technological arts.” [Office Action, page 3]. We do not agree with this rejection.

However, each of the rejected independent Claims **1, 48, 58, 87 and 167-172** has been amended in response to the Examiner’s novel, legally baseless, and extraneous requirement that every independent method claim include a limitation “within the technological arts” or “language of technology.” [See, Examiner’s Interview Summary mailed September 14, 2004]. Accordingly, we believe that the § 101 rejections are now moot.

Independent Claim **1** now recites: *receiving, via an electronic communications network, notice of a completion of said at least one qualifying action.*

Independent Claim **48** now recites: *establishing, via a computer, a first qualifying action associated with said coupon.*

Independent Claim **58** now recites: *changing, via a computer, said benefit of said coupon upon receipt of an indication of completion of said first qualifying action by said first recipient.*

Independent Claim **87** now recites: *determining, via a processing device, if said benefit variation conditions for said coupon needs to be modified.*

Independent Claim **162** now recites: *via a processing device, updating said coupon’s benefit in accordance with said benefit variation condition unless a notice is received that said at least one qualifying action has not been completed.*

Independent Claim **163** now recites: *updating, on a computer, said coupon’s benefit in accordance with said benefit variation condition unless a determination is made that said at least one qualifying action has not been completed.*

Independent Claim **164** now recites: *changing, by a processing device, said coupon’s associated benefit a first amount unless a notice is received that said first qualifying action has not been completed.*

Independent Claim **165** now recites: *changing, via an electronic device, said coupon's associated benefit a first amount unless a determination is made that said first qualifying action has not been completed.*

Independent Claim **166** now recites: *A method for changing a coupon's benefit, comprising: associating a first qualifying action with a coupon, whereby a benefit for said coupon changes upon completion of said first qualifying action by a first recipient of said coupon; and changing said benefit of said coupon unless a notice is received that said first qualifying action has not been completed, the method being limited to technological arts.* Thus, the method of Claim 166 is expressly "within the technological arts," as required by the Examiner. [Office Action, page 3].

Independent Claim **167** now recites: *in which at least one of associating and changing is performed via technology.* Thus, the method of Claim 167 expressly incorporates "technology," as required by the Examiner. [Examiner's Interview Summary mailed September 14, 2004].

No new matter has been added. If the Examiner has any questions or comments regarding the present Amendment, the Examiner is invited to contact the undersigned for further discussion.

We are grateful for the Examiner's acknowledgement that each of the claims is directed to a useful, concrete and tangible result. [Office Action, page 3]. We consider this to be the only requirement for statutory subject matter.

We respectfully submit that all of Claims **1, 48, 58, 87 and 167-172** (and claims dependent therefrom) are in condition for allowance. We respectfully request that the Examiner withdraw the § 101 rejection.

We do not believe that any of these amendments are necessary for the claims to be directed to statutory subject matter under § 101. These amendments are made without prejudice and solely in order to limit the potential number of issues for appeal in order to conserve limited resources. We dispute that "within the technological arts" is a requirement under § 101. We also dispute that the Examiner has made a *prima facie* case that any claim fails to be "within the technological arts," as the Examiner has never defined the "technological arts," has never construed the subject matter of the rejected claims in light of the "technological arts," and thus has never attempted to explain how any recited subject matter fails to be "within the technological arts."

E. Section 103 Rejections

E.1. All dependent claims (Claims 2-47, 49-57, and 59-74): The Examiner concedes that substantial evidence has not been provided in support of the rejection of any dependent claim and thus no *prima facie* case of obviousness has been established for any dependent claim

The Examiner again has based the rejections of all of the examined dependent claims (Claims 2-47, 49-57, and 59-74) on “Official Notice.” Specifically, the Examiner took “Official Notice” that “both the concepts and the advantages of” the entirety of each of those dependent claims were “well known and expected in the art.” [See, Office Action, pages 6, 7-8, and 9-10].

Officially-noted subject matter cannot be used as the basis for a rejection under Sections 102 or 103. “Official Notice” may be used, if at all, only to clarify the meaning of a reference. See, e.g., In re Ahlert, 424 F.2d 1088 (C.C.P.A. 1969).

The Examiner has twice admitted that the “Official Notice” rejections of all of the dependent claims (Claims 2-47, 49-57, and 59-74) are improper and that evidence must be provided in support of the asserted subject matter. [Examiner’s Interview Summary mailed September 14, 2004; Examiner’s Interview Summary mailed September 3, 2003].

The cited Kanter and Christensen references do not support the Examiner’s “Official Notice”; the Examiner has never asserted otherwise.

Thus, no *prima facie* case of obviousness has ever been established for any dependent claim. Accordingly, we respectfully request that Examiner withdraw the Section 103 rejection of Claims 2-47, 49-57, and 59-74.

E.2. GROUP I: Claims 3-5, 7 and 8

GROUP I includes Claims 3-5, 7 and 8.

The rejection of the claims of GROUP I is flawed because the Examiner has not made a *prima facie* case of unpatentability of any claim of GROUP I.

In particular, the Examiner has not shown all limitations of any claim to be disclosed or suggested by the references, alone or in combination:

- the Examiner has conceded that no substantial evidence has been provided in support of any rejection of any of the rejected dependent claims (including Claims 3-5, 7 and 8), and has thus conceded that no *prima facie* case of obviousness has been established for any of the claims of GROUP I.

The rejection is also based on improper combinations and modifications of the references without adequate motivation in the prior art for making the proposed combinations and modifications.

Further, no claim of GROUP I can be deemed obvious in light of the references of record, alone or in any combination, because the cited references, alone or in any combination, cannot be interpreted in a manner that would disclose or suggest the limitations of any pending claim. Further, the prior art of record does not contain any proper motivation to combine or modify the references in any way which renders any claim of GROUP I obvious.

Dependent Claims 4, 5, 7 and 8 depend (directly or indirectly) from Claim 3. Thus, although the discussion and arguments below refer to Claim 3, they are likewise applicable to the remaining claims of GROUP I.

2.1. No Prima Facie Showing of Obviousness of GROUP I

The Examiner has based his rejections of the claims of GROUP I on a view of the prior art which is unsupported by the record. Even after we requested documentary support, the Examiner did not provide any evidence supporting his allegations about the scope and content of the prior art. Accordingly, the Examiner has not presented a *prima facie* case of obviousness of any claim of GROUP I.

2.1.1. The Proper Legal Standard under 35 U.S.C. § 103(a)

The Examiner bears the burden of establishing a *prima facie* case of obviousness based upon the prior art. In re Fritch, 972 F.2d 1260, 1265 (Fed. Cir. 1992). To reject claims in an application under Section 103, an examiner must show an un rebutted *prima facie* case of obviousness. In re Rouffet, 149 F.3d 1350, 1355 (Fed. Cir. 1998). If examination at the initial stage does not produce a *prima facie* case of unpatentability, then without more the applicant is entitled to grant of the patent. In re Oetiker, 977 F.2d 1443, 1445 (Fed. Cir. 1992).

The factual predicates underlying an obviousness determination include the scope and content of the prior art, the differences between the prior art and the claimed invention, and the level of ordinary skill in the art. In re Rouffet, 149 F.3d 1350, 1355 (Fed. Cir. 1998). The secondary considerations are also essential components of the obviousness determination. In re Rouffet, 149 F.3d 1350, 1355 (Fed. Cir. 1998).

In order to rely on a reference as a basis for rejection of the applicant's invention, the reference must either be in the field of the applicant's endeavor or, if not, then be reasonably pertinent to the particular problem with which the inventor was concerned. In re Oetiker, 977 F.2d 1443, 1447 (Fed. Cir. 1992).

When a rejection is based on a combination of references, the Examiner can satisfy the *prima facie* burden only by showing some objective teaching leading to the purported combination of references. In re Fritch, 972 F.2d 1260, 1265 (Fed. Cir. 1992). Lacking a motivation to combine references, there is no *prima facie* case of obviousness. In re Rouffet, 149 F.3d 1350, 1358 (Fed. Cir. 1998).

Finally, during examination, claims are given their broadest reasonable interpretation consistent with the specification. In re Hyatt, 211 F.3d 1367 (Fed. Cir. 2000). The "PTO applies to verbiage of the proposed claims the broadest reasonable meaning of the words in their ordinary usage as they would be understood by one of ordinary skill in the art, taking into account whatever enlightenment by way of definitions or otherwise that may be afforded by the written description contained in applicant's specification." In re Morris, 127 F.3d 1048, 1054-55 (Fed. Cir. 1997).

2.1.2. Substantial evidence is required of all factual findings

In a determination of obviousness, factual findings as to scope and content of the prior art, level of ordinary skill in the art, differences between the claimed invention and the prior art, and secondary considerations of nonobviousness must be supported by substantial evidence. Novamedix Distrib. Ltd. v. Dickinson, 175 F. Supp. 2d 8, 9 (D.D.C. 2001).

“[D]eficiencies of the cited references cannot be remedied by the Board’s general conclusions about what is ‘basic knowledge’ or ‘common sense.’” In re Zurko, 258 F.3d 1379, 1385 (Fed. Cir. 2001); In re Lee, 277 F.3d 1338, 1344 (Fed. Cir. 2002).

2.1.3. Absent substantial evidence, no prima facie case exists

To reject claims in an application under Section 103, an examiner must show an un rebutted prima facie case of obviousness. In re Rouffet, 149 F.3d 1350, 1355 (Fed. Cir. 1998).

The initial burden of presenting a prima facie case of obviousness is upon the examiner. In re Oetiker, 977 F.2d 1443, 1445 (Fed. Cir. 1992). If the examiner fails to establish a prima facie case, the rejection is improper and will be overturned. In re Rijckaert, 9 F.3d 1531, 1532 (Fed. Cir. 1993); Novamedix Distrib. Ltd. v. Dickinson, 175 F. Supp. 2d 8, 9 (D.D.C. 2001).

If examination at the initial stage does not produce a prima facie case of unpatentability, then without more the applicant is entitled to grant of the patent. In re Oetiker, 977 F.2d 1443, 1445 (Fed. Cir. 1992).

2.1.4. No showing that the references suggest *said updated benefit of said coupon is associated with a first recipient of said coupon and said qualifying action is associated with a second recipient of said coupon*

The Examiner has not shown that the references, alone or in combination, suggest *said updated benefit of said coupon is associated with a first recipient of said coupon and said qualifying action is associated with a second recipient of said coupon*.

“Official Notice” is Unsupported

The Examiner makes the unsupported assertion that this feature of Claim 3 was “well known and expected in the art.” [Office Action, page 6]. As discussed above, the Examiner has twice conceded during Telephone Interviews that no *prima facie* case of obviousness of any dependent claim has been established, because no reference has ever been indicated as evidence that an additional limitation of any dependent claim was known.

Other Factual Findings

Nonetheless, the Examiner might be relying on a repeated conclusory statement that Christensen shows or “implicitly shows” all of the elements and limitations of every claim. [Office Action, pages 5-11].

Specifically with respect to the limitations recited in Claim 3, the Examiner asserts only that Christensen “lacks explicit recitation of some of the elements and limitations of claims 2-47, even though Christensen suggests” and also “implicitly shows the elements and limitations of claims 2-47.” [Office Action, page 6].

No reasoning or explanation is provided for either of these conclusory statements. In other words, the Examiner’s rejection lies solely on the assertion that all of the limitations recited in Claim 3 (as well as in every other rejected dependent claim) are somehow “suggested” or “implicitly shown” by unspecified elements of Christensen.

In fact, Christensen lacks any hint of *said updated benefit of said coupon is associated with a first recipient of said coupon and said qualifying action is associated with a second recipient of said coupon*.

No further reasoning is provided for the Examiner’s interpretation of Christensen. We have repeatedly traversed these omnibus assertions as to what Christensen allegedly “suggests” or “implicitly shows.” [Response transmitted March 5, 2003 (“Christensen Does Not Suggest All of the Features of All of Claims 1-167”), page 39].

We have also requested that the Examiner clarify what features of the pending claims Christensen teaches or suggests by providing the most relevant

citations for the subject matter that the Examiner believes suggests each particular feature of all of the claims.

We have also pointed out the inexplicable identity of the portions cited in both Christensen and Kanter. [Response transmitted March 5, 2003 (“Applicants Request Further Clarification to Aid in Examination”), pages 38-39].

The Examiner has never provided any additional findings or clarification in any subsequent Office Action.

The Examiner has never identified any particular limitation recited in any of the dependent claims. Thus, despite the Examiner’s superficial adherence to the language and form of an obviousness rejection, it does not appear that the Examiner has actually examined any particular limitation of Claim 3 (or any other dependent claim).

More specifically, there is no discussion of the specific limitation of *said updated benefit of said coupon is associated with a first recipient of said coupon and said qualifying action is associated with a second recipient of said coupon anywhere* in any Office Action.

The Examiner does not assert that Kanter discloses or suggests this feature. Kanter is described only as showing “elements that suggest the ‘variation condition’ elements and limitations of claim 1” (from which Claim 3 depends). [Office Action, page 5].

These Findings Have No Support in the Record

There is no substantial evidence in the record that Christensen or any other reference would suggest *said updated benefit of said coupon is associated with a first recipient of said coupon and said qualifying action is associated with a second recipient of said coupon* (or any limitation recited in any of the rejected dependent claims).

The only discussion of Christensen consists of, for every one of the rejected claims, a mere conclusory statement that Christensen shows or “implicitly shows” elements and limitations of the entire claim. Nowhere in any Office Action has the Examiner even attempted to explain what any particular portion of Christensen explicitly discloses, much less how that portion is being applied to any claim.

Christensen does not disclose, suggest or even hint at a qualifying action associated with one recipient a coupon and an updated benefit associated with a different recipient of that same coupon. In Christensen, a particular consumer merely chooses one or more coupons to print. The system tracks redemption of the coupons by that consumer. There is no hint of any action by any other person, much less a recipient of the same coupon, having anything to do with the benefit of a coupon. Accordingly, Christensen does not even hint at *said updated benefit of said coupon is associated with a first recipient of said coupon and said qualifying action is associated with a second recipient of said coupon*.

In supporting his conclusory characterization of Christensen, the Examiner refers to nearly every line of Christensen (see Office Action, page 6), none of which is at all relevant to *said updated benefit of said coupon is associated with a first recipient of said coupon and said qualifying action is associated with a second recipient of said coupon*. We have requested that the Examiner identify the most relevant citations for the disclosure of Christensen that the Examiner believes suggests each particular limitation of Claim 3. [Response transmitted March 5, 2003 (“Christensen Does Not Suggest All of the Features of All of Claims 1-167”), page 39].

Tellingly, the Examiner has never offered any further clarification or reasoning.

Kanter does not disclose or suggest *said updated benefit of said coupon is associated with a first recipient of said coupon and said qualifying action is associated with a second recipient of said coupon*. The Examiner does not assert otherwise.

Thus, in summary, the Examiner has failed to provide substantial evidence to support even a *prima facie* case of obviousness. The Examiner has inappropriately relied upon “Official Notice.” The references, alone or in combination, do not suggest a limitation of *said updated benefit of said coupon is associated with a first recipient of said coupon and said qualifying action is associated with a second recipient of said coupon*. The rejection fails for at least these reasons.

2.1.5. No showing that the references suggest *establishing a benefit variation condition for said coupon, said benefit variation condition having at least one associated qualifying action or updating said coupon's benefit in accordance with said benefit variation condition*

The Examiner has not shown that the references, alone or in combination, suggest either *establishing a benefit variation condition for said coupon, said benefit variation condition having at least one associated qualifying action or updating said coupon's benefit in accordance with said benefit variation condition* as recited in independent Claim 1 (from which Claim 3 depends)

Factual Findings

The closest the Examiner comes is the statement that “Christenson [sic] fig 14 as well as Kanter [show] benefit variation and variation condition respectively.” [Examiner's Interview Summary mailed September 3, 2003].

The Examiner also asserts: “Christensen lacks an explicit recitation of the ‘variation condition’ elements and limitations of claim 1, even though Christensen implicitly shows same.” [Office Action, page 5]. The Examiner does not indicate where Christensen “implicitly shows” any particular limitation.

In the Office Action, the Examiner asserts that Kanter “shows the ‘variation condition’ elements and limitations of claim 1” and that “Kanter proposes ‘variation condition’ modifications that would have applied to the system of Christensen.” [page 5].

As we best understand the rejection, therefore, the Examiner is relying on Christensen (perhaps in FIG. 14) as teaching “benefit variation” of a coupon and on Kanter as teaching “variation condition” of a coupon.

In fact, Christensen and Kanter lack any hint of such features.

No reasoning or explanation is provided for the Examiner's conclusory statements. We have repeatedly traversed these omnibus assertions as to what Christensen and Kanter supposedly “suggest.” [Response transmitted March 5, 2003, pages 39 (“Christensen Does Not Suggest All of the Features of All of Claims 1-167”) and 40].

We have also requested that the Examiner clarify what features of the pending claims the references teach or suggest by providing the most relevant citations for the subject matter that the Examiner believes suggests each particular feature of all of the claims.

We have also pointed out the inexplicable identity of portions cited in both Christensen and Kanter. [Response transmitted March 5, 2003 (“Applicants Request Further Clarification to Aid in Examination”), pages 38-39]. The asserted citations as to where relevant disclosure may supposedly be found in the Kanter reference are identical to the citations provided for the Christensen reference for the first seventeen columns.

With the exception of noting FIG. 14 of Christensen during one Interview, the Examiner has never provided any additional findings or clarification in the record. The Examiner has never clarified as to how FIG. 14 in particular shows a “benefit variation.”

These Findings Have No Support in the Record

There is no substantial evidence in the record that Christensen or Kanter would suggest *establishing a benefit variation condition for said coupon, said benefit variation condition having at least one associated qualifying action, much less updating said coupon’s benefit in accordance with said benefit variation condition.*

The only discussion of Christensen consists of, for every one of the rejected claims, a mere conclusory statement that Christensen “shows” or “implicitly shows” elements and limitations of the entire claim. Nowhere in any Office Action has the Examiner asserted what any particular portion of Christensen explicitly discloses, much less how that portion is being applied to any particular claimed subject matter.

FIG. 14 is devoid of any hint of “benefit variation” of a coupon. FIG. 14 is a further detail of FIG. 6. [Column 5, line 24]. Each of FIG. 6 and FIG. 14 illustrates a display coupon menu from which “a consumer may select a coupon for printing by clicking on the coupon or selecting the coupon using a pull-down menu or the like.” [Column 9, lines 9-14].

Thus, there is no suggestion in either figure (or accompanying text) that the benefit of a particular coupon in the Christensen system may vary, much less a condition by which the benefit of a coupon may vary, much less a qualifying action associated with a benefit variation condition.

Also, contrary to the Examiner's assertion, Kanter is devoid of any hint or suggestion of a "variation condition," much less *a benefit variation condition for said coupon*, as recited in independent Claim 1. Kanter describes:

an incentive program which also allows a sponsoring financial institution to issue to participants, rebates...which can be redeemed in cash, coupons, checks, catalog products, trips, goods or service from designated merchants, or any combination thereof

[Column 15, lines 19-25.] Kanter thus describes a system in which a rebate may be redeemed in the form of a coupon. There is nothing in Kanter, however, that would suggest that a coupon in the Kanter system, once issued to a participant, has a variable benefit, or is associated with a condition for such variation. To the contrary, the coupon, like the alternatives of cash or catalog products, is merely a fixed form of the issued rebate.

Accordingly, there is nothing in either Christensen or Kanter, alone or in combination, that would suggest *a benefit variation condition of a coupon*, much less that *the benefit variation condition has at least one associated qualifying action*, much less *updating said coupon's benefit in accordance with said benefit variation condition*.

In supporting his conclusory characterizations of Christensen and Kanter, the Examiner refers to nearly every line of each reference (see Office Action, pages 4-5), none of which is at all relevant to *a benefit variation condition of a coupon*, much less that *the benefit variation condition has at least one associated qualifying action*. We have requested that the Examiner identify the most relevant citations for the disclosure of Christensen that the Examiner believes suggests each particular limitation of Claim 1. [Response transmitted March 5, 2003 ("Christensen Does Not Suggest All of the Features of All of Claims 1-167"), page 39].

Tellingly, with the exception of the reference to FIG. 14 of Christensen, the Examiner has never offered any further clarification or reasoning.

Thus, in summary, the Examiner has failed to provide substantial evidence to support even a *prima facie* case of obviousness. The Examiner has inappropriately relied upon “Official Notice.” The references, alone or in combination, do not suggest a limitation of *establishing a benefit variation condition for said coupon, said benefit variation condition having at least one associated qualifying action or updating said coupon’s benefit in accordance with said benefit variation condition*. The rejection fails for at least these reasons.

2.1.6. No showing of a proper motivation to combine the references

Each rejection, including the rejection of Claim 3, includes a combination of the Christensen and Kanter references. The rejection of Claim 3 further includes a modification of the proposed combination. The Examiner simply has not shown a motivation in the prior art of record to modify or combine the references in the manner proposed by the Examiner, or in any other manner that renders the claims obvious.

Applicable Law

Obviousness can only be established by combining or modifying the teachings of the prior art to produce the claimed invention where there is some teaching, suggestion, or motivation to do so found either in the references themselves or in the knowledge generally available to one of ordinary skill in the art. In re Fine, 5 U.S.P.Q.2d 1596 (Fed. Cir. 1988); In re Jones, 21 U.S.P.Q.2d 1941 (Fed. Cir. 1992). Furthermore, particular findings must be made as to the reason the skilled artisan, with no knowledge of the claimed invention, would have selected these components for combination in the manner claimed. In re Kotzab, 217 F.3d 1365, 1371 (Fed. Cir. 2000) (emphasis added).

A finding of obviousness requires that the art contain something to suggest the desirability of the proposed combination. In re Grabiak, 769 F.2d 729, 732 (Fed. Cir. 1985). In the absence of such a showing, there is inadequate support for the position that the proposed modification would *prima facie* have been obvious. Id. The absence of such a suggestion to combine is dispositive in an

obviousness determination. Gambro Lundia AB v. Baxter Healthcare Corp., 110 F.3d 1573, 1579 (Fed. Cir. 1997).

When the art in question is relatively simple, the opportunity to judge by hindsight is particularly tempting. Consequently, the tests of whether to combine references need to be applied rigorously. McGinley v. Franklin Sports, Inc., 262 F.3d 1339, 1352 (Fed. Cir. 2001). In each case the factual inquiry whether to combine references must be thorough and searching. Id., at 1352 - 53.

No Substantial Evidence of a Motivation to Combine

The Examiner has proposed that one of ordinary skill in the art at the time the invention was made would have combined Christensen with Kanter for two reasons. According to the Examiner, such a combination

(A) “would have provided means for ‘*a participant can join in a merchant’s multilevel selling campaign and/or incentive award program and redeem their earnings.... wherein discounts apply on calls placed to certain individuals by those that recruited the individuals.... To provide an incentive award program which can motivate participants to make referrals on behalf of the program....*’ (see Kanter (col. 13, ll. 13-20; col. 14, ll. 20-25; and col. 15, ll. 3-5))”; and

(B) “would have provided means ‘*to improve consumer response to coupon distribution campaigns....It is a further object of the present invention to provide more accurate data of which consumers redeem particular coupons in a coupon distribution campaign.*’ (see Christensen (col. 4, ll. 40-60)).”

[Office Action, pages 5-6 (emphasis original)].

It is worth noting that the identical “motivations” are relied upon for the rejection of every rejected claim. In other words, the same “motivations” are relied upon, not only for the asserted combination of Christensen and Kanter, but also for the alleged obviousness of modifying that combination to provide every additional limitation(s) of each dependent claim, regardless of the claimed subject matter.

The proposed motivations for combining Christensen and Kanter fail for three reasons:

(i) the proposed motivations would not have actually prompted one to make the combination;

(ii) the combination would not in any way further the proposed motivations; and

(iii) the combination has nothing to do with the limitations of Claim 3.

With respect to reason (i), Motivation A of Kanter would not cause one to seek out a promotion system that relies exclusively on coupon distribution and redemption, much less the particular coupon system of Christensen. Christensen has nothing to do with “multilevel selling” on behalf of a merchant, an “incentive award program” in which participants can “redeem their earnings,” or motivating “participants to make referrals on behalf of the program.” Further, Christensen has nothing to do with either placing calls or discounts on calls, much less “wherein discounts apply on calls placed to certain individuals by those that recruited the individuals.” Accordingly, Motivation A would not have caused one to seek out Christensen.

Motivation B of Christensen would not cause one to seek out a system that disparages coupon distribution campaigns, much less the particular system of Kanter. Kanter has nothing to do with “improv[ing] consumer response to coupon distribution campaigns” or “provid[ing] more accurate data of which consumers redeem particular coupons in a coupon distribution campaign.” In fact, as discussed above, Kanter teaches away from such promotional campaigns as time consuming, confusing and an “administrative nightmare.” Accordingly, Motivation B would not have caused one to seek out Kanter.

With respect to reason (ii), the combination (Christensen and Kanter) does not further the proposed Motivation A or Motivation B. Christensen does not in any way allow a customer to achieve discounts “on calls placed to certain individuals by those that recruited the individuals...[or to] provide an incentive award program which can motivate participants to make referrals on behalf of the program.” Kanter does not in any way provide more accurate data of which consumers redeem particular coupons in a coupon distribution campaign.

With respect to reason (iii), neither Motivation A nor Motivation B would suggest the desirability of modifying the coupon distribution system of Christensen to provide specifically for the feature of *establishing a benefit variation condition of said coupon, said benefit variation condition having at least one associated qualifying action*, as recited in independent Claim 1 (on which Claim 3 depends). The Examiner does not provide any reasoning or

support in the evidence of record as to why the asserted desirability of “a merchant’s multilevel selling campaign and/or incentive award program and redeem their earnings,” “an incentive award program which can motivate participants to make referrals on behalf of the program,” “to improve consumer response to coupon distribution campaigns,” or “to provide more accurate data of which consumers redeem particular coupons in a coupon distribution campaign”, would specifically suggest to one of ordinary skill in the art the desirability of *establishing a condition for varying the benefit of a coupon* in the Christensen system to meet any of the asserted desirable objectives.

Also, the asserted motivation “wherein discounts apply on calls placed to certain individuals by those that recruited the individuals” suggests neither that a benefit of a coupon may vary, nor *a condition for varying the benefit of a coupon*, much less a motivation for modifying the coupon distribution campaign system of Christensen. In fact, Kanter describes such “discounts on calls” as an incentive that was not available in the prior art to be offered by “any company that is not a telecommunication service distributor, as obviously, such companies do not sell telecommunication services.” [Column 14, lines 16-26.] It is not clear to us how Kanter’s description of how discounts on calls were previously unavailable as incentives for non-telecommunication companies suggests either a motivation to *establish a benefit variation condition of a coupon* or a motivation to modify the coupon distribution campaign system of Christensen.

Thus, the combination of Christensen and Kanter has nothing to do with the embodiment of Claim 3. Further, as described above, any such combination would still lack all of the features of Claim 3, and these features have significant advantages. Finally, any such combination would not solve any of the problems addressed by the embodiment of Claim 3.

Also, the Christensen and Kanter references are not analogous art. It is a described object of the Christensen system to improve consumer response to coupon distribution campaigns, to provide more accurate data of which consumers redeem particular coupons in a coupon distribution campaign, and to reduce the incidence of fraud in the redemption of coupons or copying of coupons. [Column 4, lines 43 - 54]. Christensen is accordingly directed to an apparatus and method for distributing, generating, authenticating, and redeeming discount coupons and the like electronically. [Column 1, lines 5 - 7]. In contrast, Kanter explicitly teaches away from these objects of Christensen. As described in

Kanter, coupon distribution campaigns involve a promotional technique that is “an administrative nightmare,” is “very time consuming,” “can have a detrimental effect on a merchant’s cash flow,” is confusing to consumers, and “creates massive paper waste.” [Column 1, line 32 to Column 2, line 7]. “Coupons” are described in Kanter solely as a form of redeemed earnings awarded in an incentive program, and not as part of an advertising or promotional campaign, as described in Christensen.

2.1.7. No showing of a proper motivation to modify the references

Even if the Examiner had established substantial evidence of a motivation to make the proposed combination of Christensen and Kanter (which we dispute above), the Examiner has failed to provide substantial evidence of a motivation to modify that combination to provide for the feature of *said updated benefit of said coupon is associated with a first recipient of said coupon and said qualifying action is associated with a second recipient of said coupon*.

As noted above, the Examiner relies on the same Motivation A and Motivation B as suggesting the desirability of this particular feature (and all features of all dependent claims). [Office Action, pages 5-6].

Neither Motivation A nor Motivation B, however, has anything to do with a qualifying action associated with a second recipient of the same coupon. The Examiner also does not even purport to explain how providing for the claimed feature would further either Motivation A or Motivation B.

Thus the Examiner has not shown a motivation in the prior art of record to combine or modify the references in any manner that renders the claims of GROUP I obvious. The rejection fails for at least this reason.

2.1.8. Level of Skill

Applicable Law

A factual predicate underlying an obviousness determination is the level of ordinary skill in the art. In re Rouffet, 149 F.3d 1350, 1355 (Fed. Cir. 1998). The skill level is one component of the inquiry for a suggestion to combine. In re Rouffet, 149 F.3d 1350, 1359 (Fed. Cir. 1998).

Lacking a motivation to combine, there is no prima facie case of obviousness. In re Rouffet, 149 F.3d 1350, 1358 (Fed. Cir. 1998). If examination at the initial stage does not produce a prima facie case of unpatentability, then without more the applicant is entitled to grant of the patent. In re Oetiker, 977 F.2d 1443, 1445 (Fed. Cir. 1992).

Factual Findings

Though required to do so, the Examiner has not set forth any evidence relating to the level of ordinary skill in the art, and has not even alleged what the level of skill in the art would be. The rejection fails for at least this reason.

2.2. The Claims of GROUP I are Allowable Over the Cited References

As described above, the Examiner has failed to provide a *prima facie* showing of anticipation of the claims of GROUP I in light of either Christensen or Kanter.

In addition, as described above, neither of the references anticipates the claims of GROUP I.

In addition, the references cannot be combined in any manner that would render the claim of GROUP I obvious.

2.2.1. The references do not suggest all of the features

As discussed above, the cited references, alone or in combination, do not suggest the features of:

- *establishing a benefit variation condition for said coupon, said benefit variation condition having at least one associated qualifying action*
- *said updated benefit of said coupon is associated with a first recipient of said coupon and said qualifying action is associated with a second recipient of said coupon*

as provided for in Claim 3.

Accordingly, the references, alone or in combination, cannot teach or suggest all of the features of the claims of GROUP I.

2.2.2. No motivation to combine the references

As discussed above, the Examiner's purported finding of a suggestion in the record to make the combination and modification of the references does not in fact support any such modification or combination.

Further, Kanter teaches away from any combination with a promotion system based on coupon distribution, like Christensen.

2.3. Summary

In conclusion, the Examiner has not set forth a *prima facie* case of obviousness of the claims of Group I, none of the references (alone or in combination) disclose or suggest the limitations of the claims of Group I, and none of the references (alone or in combination) possesses the advantages conferred by those limitations. Accordingly, for at least those reasons, Claims 3-5, 7 and 8 are patentable in view of the cited references.

E.3. GROUP II: Claims 2, 9, 10, 12-22, 24-31, 39-41 44, 46 and 47

GROUP II includes dependent Claims 2, 9, 10, 12-22, 24-31, 39-41 44, 46 and 47.

The rejection of the claim of GROUP II is flawed because the Examiner has not made a *prima facie* case of unpatentability of any claim of GROUP II.

In particular, the Examiner has not shown all limitations of any claim to be disclosed or suggested by the references, alone or in combination:

- the Examiner has conceded that no substantial evidence has been provided in support of any rejection of any of the dependent claims (including Claims 2, 9, 10, 12-22, 24-31, 39-41 44, 46 and 47), and has thus conceded that no *prima facie* case of obviousness has been established for any of the claims of GROUP II.

The rejection is also based on improper combinations and modifications of the references without adequate motivation in the prior art for making the proposed combinations and modifications.

Although the discussion and arguments below refer to Claim 2, they are likewise applicable to the remaining claims of GROUP II.

3.1. No Prima Facie Showing of Obviousness of GROUP II

The Examiner has based his rejections of the claims of GROUP II on a view of the prior art which is unsupported by the record. Even after we requested documentary support, the Examiner did not provide any evidence supporting his allegations about the scope and content of the prior art. Accordingly, the Examiner has not presented a *prima facie* case of obviousness of any claim of GROUP II.

The proper legal standard under § 103(a) is described above.

3.1.1. No showing that the references suggest wherein said qualifying action is associated with at least one of the following: an initial recipient of said coupon; a primary recipient of said coupon; a secondary recipient of said coupon; and a tertiary recipient of said coupon

The Examiner has not shown that the references, alone or in combination, suggest *wherein said qualifying action is associated with at least one of the following*:

an initial recipient of said coupon;
a primary recipient of said coupon;
a secondary recipient of said coupon; and
a tertiary recipient of said coupon.

“Official Notice” is Unsupported

The Examiner makes the unsupported assertion that this feature of Claim 2 was “well known and expected in the art.” [Office Action, page 6]. As discussed above, the Examiner has conceded that no *prima facie* case of obviousness of any dependent claim has been established.

Other Factual Findings

As discussed above (with respect to dependent Claim 3), the Examiner might be relying on a repeated conclusory statement that Christensen shows or “implicitly shows” all of the elements and limitations of every claim. [Office Action, pages 5-11].

Specifically with respect to the limitations recited in Claim 2, the Examiner asserts only that Christensen “lacks explicit recitation of some of the elements and limitations of claims 2-47, even though Christensen suggests” and also “implicitly shows the elements and limitations of claims 2-47.” [Office Action, page 6].

No reasoning or explanation is provided for either of these conclusory statements. In other words, the Examiner's rejection lies solely on the assertion that all of the limitations recited in Claim 2 (as well as in every other dependent claim) are somehow "suggested" or "implicitly shown" by unspecified elements of Christensen.

In fact, Christensen lacks any hint of *wherein said qualifying action is associated with at least one of the following: an initial recipient of said coupon; a primary recipient of said coupon; a secondary recipient of said coupon; and a tertiary recipient of said coupon.*

As discussed above, no reasoning or explanation is provided for these conclusory statements, we have traversed these omnibus assertions as to what Christensen allegedly "suggests" or "implicitly shows," the Examiner has never provided any additional findings or clarification in any subsequent Office Action, and the Examiner has never identified any particular limitation recited in any of the dependent claims. Thus, despite the Examiner's superficial adherence to the language and form of an obviousness rejection, it does not appear that the Examiner has actually examined any particular limitation of Claim 2 (or any other dependent claim).

There is no discussion of the specific limitation of *wherein said qualifying action is associated with at least one of the following: an initial recipient of said coupon; a primary recipient of said coupon; a secondary recipient of said coupon; and a tertiary recipient of said coupon anywhere* in any Office Action.

The Examiner does not assert that Kanter discloses or suggests this feature. Kanter is described only as showing "elements that suggest the 'variation condition' elements and limitations of claim 1" (from which Claim 2 depends). [Office Action, page 5].

These Findings Have No Support in the Record

There is no substantial evidence in the record that Christensen or Kanter would suggest *wherein said qualifying action is associated with at least one of the following: an initial recipient of said coupon; a primary recipient of said coupon; a secondary recipient of said coupon; and a tertiary recipient of said coupon* (or any limitation recited in any of the rejected dependent claims).

Thus, in summary, the Examiner has failed to provide substantial evidence to support even a *prima facie* case of obviousness. The Examiner has inappropriately relied upon “Official Notice.” The references, alone or in combination, do not suggest a limitation of *wherein said qualifying action is associated with at least one of the following: an initial recipient of said coupon; a primary recipient of said coupon; a secondary recipient of said coupon; and a tertiary recipient of said coupon.* The rejection fails for at least these reasons.

3.1.2. No showing that the references suggest establishing a benefit variation condition for said coupon, said benefit variation condition having at least one associated qualifying action or updating said coupon’s benefit in accordance with said benefit variation condition

For the same reasons stated above, the Examiner has not shown that the references, alone or in combination, suggest *establishing a benefit variation condition for said coupon, said benefit variation condition having at least one associated qualifying action or updating said coupon’s benefit in accordance with said benefit variation condition*, as recited in independent Claim 1 (from which the claims of GROUP II depend).

3.1.3. No showing of a proper motivation to combine or modify the references

Each rejection of a dependent claim, including the rejection of the claims of GROUP II, includes a combination of the Christensen and Kanter references, and then a modification of that combination to provide for the additional limitation(s) of the dependent claim. The Examiner simply has not shown a motivation in the prior art of record to combine and / or modify the references in the manner proposed by the Examiner, or in any other manner that renders the claims of GROUP II obvious.

The applicable law is discussed above.

No Substantial Evidence of a Motivation to Combine

The Examiner relies on the same asserted motivations for all rejections. All of the claims of GROUP II depend directly or indirectly from independent Claim 1. As discussed above (with respect to Claim 3, which also depends from independent Claim 1), the Examiner has not provided substantial evidence of a motivation to combine the Christensen and Kanter references to provide specifically for the claimed features of either *establishing a benefit variation condition for said coupon, said benefit variation condition having at least one associated qualifying action or updating said coupon's benefit in accordance with said benefit variation condition*.

Also, as discussed above, the references are not analogous art.

The failure of the Examiner to make any finding of a level of skill in the art is discussed above with respect to Claim 3 (GROUP I).

No Substantial Evidence of a Motivation to Modify

The Examiner has also failed to provide substantial evidence of a motivation to modify the asserted combination of Christensen and Kanter to provide specifically for the feature of *wherein said qualifying action is associated with at least one of the following: an initial recipient of said coupon; a primary recipient of said coupon; a secondary recipient of said coupon; and a tertiary recipient of said coupon*.

The Examiner relies on the same Motivation A and Motivation B as suggesting the desirability of this particular feature (and all features of all dependent claims). [Office Action, pages 5-6].

Neither Motivation A nor Motivation B, however, has anything to do with a qualifying action, much less *wherein said qualifying action is associated with at least one of the following: an initial recipient of said coupon; a primary recipient of said coupon; a secondary recipient of said coupon; and a tertiary recipient of said coupon*. The Examiner also does not even purport to explain how providing for the claimed feature would further either Motivation A or Motivation B.

Thus, the Examiner has not shown a motivation in the prior art of record to combine or modify the references in any manner that renders the claims of GROUP II obvious. The rejection fails for at least this reason.

3.2. Summary

In conclusion, the Examiner has not set forth a *prima facie* case of obviousness of the claims of Group II, none of the references (alone or in combination) disclose or suggest the limitations of the claims of Group II, and none of the references (alone or in combination) possesses the advantages conferred by those limitations. Accordingly, for at least those reasons, Claims **2, 9, 10, 12-22, 24-31, 39-41 44, 46 and 47** are patentable in view of the cited references.

E.4. GROUP III: Claims 1 and 87

GROUP III includes independent Claims **1 and 87**.

The rejection of the claims of GROUP III is flawed because the Examiner has not made a *prima facie* case of unpatentability of any claim of GROUP III.

In particular, the Examiner has not shown all limitations of the claims of GROUP III to be disclosed or suggested by the references, alone or in combination, including:

- *establishing a benefit variation condition for said coupon, said benefit variation condition having at least one associated qualifying action; or*
- *updating said coupon's benefit in accordance with said benefit variation condition.*

The rejection is also based on improper combinations and modifications of the references without adequate motivation in the prior art for making the proposed combinations and modifications. The Examiner has thus failed to establish a *prima facie* case of obviousness of the claims of GROUP III.

Independent Claim **87** contains limitations substantially similar to those in Claim **1**. Accordingly, arguments made herein with respect to Claim **1** are applicable equally to Claim **87**.

4.1. No Prima Facie Showing of Obviousness of GROUP III

The Examiner has based his rejections of the claims of GROUP III on a view of the prior art that is unsupported by the record. Accordingly, the Examiner has not presented a *prima facie* case of obviousness of any claim of GROUP III.

The proper legal standard under § 103(a) is described above.

4.1.1. No showing that the references suggest *establishing a benefit variation condition for said coupon, said benefit variation condition having at least one associated qualifying action or updating said coupon's benefit in accordance with said benefit variation condition*

For the same reasons stated above, the Examiner has not shown that the references, alone or in combination, suggest *establishing a benefit variation condition for said coupon, said benefit variation condition having at least one associated qualifying action or updating said coupon's benefit in accordance with said benefit variation condition*, as recited in independent Claim 1.

4.1.2. No showing of a proper motivation to combine the references

Each rejection, including the rejection of Claim 1, includes a combination of the Christensen and Kanter references. The Examiner simply has not shown a motivation in the prior art of record to modify the references in the manner proposed by the Examiner, or in any other manner that renders the claims obvious.

The applicable law is discussed above.

No Substantial Evidence of a Motivation to Combine

The Examiner relies on the same asserted motivations for all rejections. As discussed above (with respect to Claim 3, which depends from independent Claim 1), the Examiner has not provided substantial evidence of a motivation to combine the Christensen and Kanter references to provide specifically for the claimed features of either *establishing a benefit variation condition for said coupon, said benefit variation condition having at least one associated qualifying action or updating said coupon's benefit in accordance with said benefit variation condition*. Also, as discussed above, the references are not analogous art.

The failure of the Examiner to make any finding of a level of skill in the art is discussed above with respect to Claim 3 (GROUP I).

4.2. Summary

In conclusion, the Examiner has not set forth a *prima facie* case of obviousness of the claims of Group III, none of the references (alone or in combination) disclose or suggest the limitations of the claims of Group III, and none of the references (alone or in combination) possesses the advantages conferred by those limitations. Accordingly, for at least those reasons, Claims 1 and 87 are patentable in view of the cited references.

E.5. GROUP IV: Claim 6

GROUP IV includes dependent Claim 6.

Claim 6 depends from independent Claim 1 (GROUP III) and Claim 3 (GROUP I). Thus, all of the claims of GROUP IV are patentable for the same reasons that the claims of GROUP III and GROUP I are patentable.

The rejection of GROUP IV is further flawed because the Examiner has not shown all limitations of any claim to be disclosed or suggested by the references, alone or in combination:

- the Examiner has conceded that no substantial evidence has been provided in support of any rejection of any of the dependent claims (including Claim 6), and has thus conceded that no *prima facie* case of obviousness has been established for any of the claims of GROUP IV.

In addition, the § 103 rejection fails because the cited references do not teach or suggest the limitation of:

- *wherein said qualifying action includes at least one of the following:*
 - said second recipient registering said coupon;*
 - said second recipient redeeming said coupon; or*
 - said second recipient forwarding said coupon.*

The Examiner has thus failed to establish a *prima facie* case of obviousness of Claim 6.

5.1. No Prima Facie Showing of Obviousness of GROUP IV

The Examiner has based his rejections of the claims of GROUP IV on a view of the prior art that is unsupported by the record. Even after we requested documentary support, the Examiner did not provide any evidence supporting his allegations about the scope and content of the prior art. Accordingly, the Examiner has not presented a *prima facie* case of obviousness of any claim of GROUP IV.

The proper legal standard under § 103(a) is described above.

5.1.1. No showing that the references suggest wherein said qualifying action includes at least one of the following: said second recipient registering said coupon; said second recipient redeeming said coupon; or said second recipient forwarding said coupon

The Examiner has not shown any reference teaching or suggesting the feature of *wherein said qualifying action includes at least one of the following: said second recipient registering said coupon; said second recipient redeeming said coupon; or said second recipient forwarding said coupon.*

“Official Notice” is Unsupported

The Examiner makes the unsupported assertion that this feature of Claim 6 was “well known and expected in the art.” [Office Action, page 6]. As discussed above, the Examiner has conceded that no *prima facie* case of obviousness of any dependent claim has been established.

As discussed above, the references fail to even hint at a second recipient of the same coupon, much less an action being associated with that second recipient. Accordingly, the references also cannot suggest particular actions associated with the second recipient.

None of the cited references (Christensen and Kanter) supports any such factual finding. The Examiner’s conclusory and unsupported assessment that Christensen might “suggest” such a limitation is not substantial evidence supported by the record.

5.2. Summary

In conclusion, the Examiner has not set forth a *prima facie* case of obviousness of the claim of Group IV, none of the references (alone or in combination) disclose or suggest the limitations of the claim of Group IV, and none of the references (alone or in combination) possesses the advantages conferred by those limitations. Accordingly, for at least those reasons, Claim 6 is patentable in view of the cited references.

E.6. GROUP V: Claim 11

GROUP V includes dependent Claim 11.

Claim 11 depends from independent Claim 1 (GROUP III). Thus, all of the claims of GROUP V are patentable for the same reasons that the claims of GROUP III are patentable.

The rejection of GROUP V is further flawed because the Examiner has not shown all limitations of any claim to be disclosed or suggested by the references, alone or in combination:

- the Examiner has conceded that no substantial evidence has been provided in support of any rejection of any of the dependent claims (including Claim 11), and has thus conceded that no *prima facie* case of obviousness has been established for any of the claims of GROUP V.

In addition, the § 103 rejection fails because the cited references do not teach or suggest the limitation of:

- *wherein said notice of a completion of said at least one qualifying action is considered to be received unless a notice is received that said qualifying action has not been completed.*

The Examiner has thus failed to establish a *prima facie* case of obviousness of Claim 11.

6.1. No Prima Facie Showing of Obviousness of GROUP V

The Examiner has based his rejections of the claims of GROUP V on a view of the prior art that is unsupported by the record. Even after we requested documentary support, the Examiner did not provide any evidence supporting his allegations about the scope and content of the prior art. Accordingly, the Examiner has not presented a *prima facie* case of obviousness of any claim of GROUP V.

The proper legal standard under § 103(a) is described above.

6.1.1. No showing that the references suggest the notice of a completion of said at least one qualifying action is considered to be received unless a notice is received that said qualifying action has not been completed

The Examiner has not shown any reference teaching or suggesting the feature of *the notice of a completion of said at least one qualifying action is considered to be received unless a notice is received that said qualifying action has not been completed*.

“Official Notice” is Unsupported

The Examiner makes the unsupported assertion that this feature of Claim 11 was “well known and expected in the art.” [Office Action, page 6]. As discussed above, the Examiner has conceded that no *prima facie* case of obviousness of any dependent claim has been established.

None of the cited references (Christensen and Kanter) even hints at a feature in which *the notice of a completion of said at least one qualifying action is considered to be received unless a notice is received that said qualifying action has not been completed*. The Examiner’s conclusory and unsupported assessment that Christensen might “suggest” or “implicitly shows” such a limitation is not substantial evidence supported by the record.

6.2. Summary

In conclusion, the Examiner has not set forth a *prima facie* case of obviousness of the claim of Group V, none of the references (alone or in combination) disclose or suggest the limitations of the claim of Group V, and none of the references (alone or in combination) possesses the advantages conferred by those limitations. Accordingly, for at least those reasons, Claim 11 is patentable in view of the cited references.

E.7. GROUP VI: Claim 23

GROUP VI includes dependent Claim 23.

Claim 23 depends from independent Claim 1 (GROUP III). Thus, all of the claims of GROUP VI are patentable for the same reasons that the claims of GROUP III are patentable.

The rejection of GROUP VI is further flawed because the Examiner has not shown all limitations of any claim to be disclosed or suggested by the references, alone or in combination:

- the Examiner has conceded that no substantial evidence has been provided in support of any rejection of any of the dependent claims (including Claim 23), and has thus conceded that no *prima facie* case of obviousness has been established for any of the claims of GROUP VI.

In addition, the § 103 rejection fails because the cited references do not teach or suggest any limitation generally related to:

- *modifying said benefit variation condition.*

The Examiner has thus failed to establish a *prima facie* case of obviousness of Claim 23.

7.1. No Prima Facie Showing of Obviousness of GROUP VI

The Examiner has based his rejections of the claim of GROUP VI on a view of the prior art that is unsupported by the record. Even after we requested documentary support, the Examiner did not provide any evidence supporting his allegations about the scope and content of the prior art. Accordingly, the Examiner has not presented a *prima facie* case of obviousness of any claim of GROUP VI.

The proper legal standard under § 103(a) is above.

7.1.1. No showing that the references suggest *modifying the benefit variation condition*

The Examiner has not shown any reference teaching or suggesting the feature of *modifying the benefit variation condition*.

“Official Notice” is Unsupported

The Examiner makes the unsupported assertion that this feature of Claim 23 was “well known and expected in the art.” [Office Action, page 6]. As discussed above, the Examiner has conceded that no *prima facie* case of obviousness of any dependent claim has been established.

None of the cited references (Christensen and Kanter) even hints at a feature of *modifying the benefit variation condition*. The Examiner’s conclusory and unsupported assessment that Christensen might “suggest” or “implicitly shows” such a limitation is not substantial evidence supported by the record.

7.2. Summary

In conclusion, the Examiner has not set forth a *prima facie* case of obviousness of the claim of Group VI, none of the references (alone or in combination) disclose or suggest the limitations of the claim of Group VI, and none of the references (alone or in combination) possesses the advantages conferred by those limitations. Accordingly, for at least those reasons, Claim 23 is patentable in view of the cited references.

E.8. GROUP VII: Claims 32 and 33

GROUP VII includes dependent Claims **32 and 33**.

Claims **32 and 33** depend from independent Claim 1 (GROUP III). Thus, all of the claims of GROUP VII are patentable for the same reasons that the claims of GROUP III are patentable.

The rejection of GROUP VII is further flawed because the Examiner has not shown all limitations of any claim to be disclosed or suggested by the references, alone or in combination:

- the Examiner has conceded that no substantial evidence has been provided in support of any rejection of any of the dependent claims (including Claims **32 and 33**), and has thus conceded that no *prima facie* case of obviousness has been established for any of the claims of GROUP VII.

In addition, the § 103 rejection fails because the cited references do not teach or suggest any limitation generally related to:

- *a hierarchy of recipients of said coupon.*

The Examiner has thus failed to establish a *prima facie* case of obviousness of the claims of GROUP VII.

8.1. No Prima Facie Showing of Obviousness of GROUP VII

The Examiner has based his rejections of the claims of GROUP VII on a view of the prior art that is unsupported by the record. Even after we requested documentary support, the Examiner did not provide any evidence supporting his allegations about the scope and content of the prior art. Accordingly, the Examiner has not presented a *prima facie* case of obviousness of any claim of GROUP VII.

The proper legal standard under § 103(a) is described above.

8.1.1. No showing that the references suggest a hierarchy of recipients of said coupon

The Examiner has not shown any reference teaching or suggesting the feature of *a hierarchy of recipients of said coupon*.

“Official Notice” is Unsupported

The Examiner makes the unsupported assertion that this feature of Claims **32 and 33** was “well known and expected in the art.” [Office Action, page 6]. As discussed above, the Examiner has conceded that no *prima facie* case of obviousness of any dependent claim has been established.

None of the cited references (Christensen and Kanter) even hints at a feature of *a hierarchy of recipients of said coupon*. The Examiner’s conclusory and unsupported assessment that Christensen might “suggest” such a limitation is not substantial evidence supported by the record.

8.2. Summary

In conclusion, the Examiner has not set forth a *prima facie* case of obviousness of the claims of Group VII, none of the references (alone or in combination) disclose or suggest the limitations of the claims of Group VII, and none of the references (alone or in combination) possesses the advantages conferred by those limitations. Accordingly, for at least those reasons, Claims **32 and 33** are patentable in view of the cited references.

E.9. GROUP VIII: Claims 34-38

GROUP VIII includes dependent Claims **34-38**.

Claims **34-38** depend (directly or indirectly) from independent Claim 1 (GROUP III). Thus, all of the claims of GROUP VIII are patentable for the same reasons that the claims of GROUP III are patentable.

The rejection of GROUP VIII is further flawed because the Examiner has not shown all limitations of any claim to be disclosed or suggested by the references, alone or in combination:

- the Examiner has conceded that no substantial evidence has been provided in support of any rejection of any of the dependent claims (including Claims **34-38**), and has thus conceded that no *prima facie* case of obviousness has been established for any of the claims of GROUP VIII.

In addition, the § 103 rejection fails because the cited references do not teach or suggest any limitation generally related to:

- *wherein said coupon's benefit increases a first amount if an initial recipient of said coupon forwards said coupon to a primary recipient.*

The Examiner has thus failed to establish a *prima facie* case of obviousness of the claims of GROUP VIII.

9.1. No Prima Facie Showing of Obviousness of GROUP VIII

The Examiner has based his rejections of the claims of GROUP VIII on a view of the prior art that is unsupported by the record. Even after we requested documentary support, the Examiner did not provide any evidence supporting his allegations about the scope and content of the prior art. Accordingly, the Examiner has not presented a *prima facie* case of obviousness of any claim of GROUP VIII.

The proper legal standard under § 103(a) is described above.

9.1.1. No showing that the references suggest *wherein said coupon's benefit increases a first amount if an initial recipient of said coupon forwards said coupon to a primary recipient*

The Examiner has not shown any reference teaching or suggesting the feature of *wherein said coupon's benefit increases a first amount if an initial recipient of said coupon forwards said coupon to a primary recipient*.

"Official Notice" is Unsupported

The Examiner makes the unsupported assertion that this feature of Claim 34 was "well known and expected in the art." [Office Action, page 6]. As discussed above, the Examiner has conceded that no *prima facie* case of obviousness of any dependent claim has been established.

There is no reference of record that even remotely suggests one recipient forwarding a coupon to another recipient, much less increasing a benefit of that coupon if such forwarding occurs. None of the cited references (Christensen and Kanter) even hints at a feature of *wherein said coupon's benefit increases a first amount if an initial recipient of said coupon forwards said coupon to a primary recipient*. The Examiner's conclusory and unsupported assessment that Christensen might "suggest" such a limitation is not substantial evidence supported by the record.

9.2. Summary

In conclusion, the Examiner has not set forth a *prima facie* case of obviousness of the claims of Group VIII, none of the references (alone or in combination) disclose or suggest the limitations of the claims of Group VIII, and none of the references (alone or in combination) possesses the advantages conferred by those limitations. Accordingly, for at least those reasons, Claims 34-38 are patentable in view of the cited references.

E.10. GROUP IX: Claim 42

GROUP IX includes dependent Claim 42.

Claim 42 depends from independent Claim 1 (GROUP III). Thus, all of the claims of GROUP IX are patentable for the same reasons that the claims of GROUP III are patentable.

The rejection of GROUP IX is further flawed because the Examiner has not shown all limitations of any claim to be disclosed or suggested by the references, alone or in combination:

- the Examiner has conceded that no substantial evidence has been provided in support of any rejection of any of the dependent claims (including Claim 42), and has thus conceded that no *prima facie* case of obviousness has been established for any of the claims of GROUP IX.

In addition, the § 103 rejection fails because the cited references do not teach or suggest any limitation generally related to:

- *crediting a financial account associated with a recipient of said coupon if said coupon's benefit increases after said recipient has redeemed said coupon.*

The Examiner has thus failed to establish a *prima facie* case of obviousness of the claims of GROUP IX.

10.1. No Prima Facie Showing of Obviousness of GROUP IX

The Examiner has based his rejections of the claims of GROUP IX on a view of the prior art that is unsupported by the record. Even after we requested documentary support, the Examiner did not provide any evidence supporting his allegations about the scope and content of the prior art. Accordingly, the Examiner has not presented a *prima facie* case of obviousness of any claim of GROUP IX.

The proper legal standard under § 103(a) is described above.

10.1.1. No showing that the references suggest crediting a financial account associated with a recipient of said coupon if said coupon's benefit increases after said recipient has redeemed said coupon

The Examiner has not shown any reference teaching or suggesting the feature of *crediting a financial account associated with a recipient of said coupon if said coupon's benefit increases after said recipient has redeemed said coupon*.

"Official Notice" is Unsupported

The Examiner makes the unsupported assertion that this feature of Claim 42 was "well known and expected in the art." [Office Action, page 6]. As discussed above, the Examiner has conceded that no *prima facie* case of obviousness of any dependent claim has been established.

There is no reference of record that even remotely suggests any crediting of a financial account after a recipient has redeemed a coupon, much less if the coupon's benefit has increased. None of the cited references (Christensen and Kanter) even hints at a feature of *crediting a financial account associated with a recipient of said coupon if said coupon's benefit increases after said recipient has redeemed said coupon*. The Examiner's conclusory and unsupported assessment that Christensen might "suggest" such a limitation is not substantial evidence supported by the record.

10.2. Summary

In conclusion, the Examiner has not set forth a *prima facie* case of obviousness of the claim of Group IX, none of the references (alone or in combination) disclose or suggest the limitations of the claim of Group IX, and none of the references (alone or in combination) possesses the advantages conferred by those limitations. Accordingly, for at least those reasons, Claim 42 is patentable in view of the cited references.

E.11. GROUP X: Claim 43

GROUP X includes dependent Claim 43.

Claim 43 depends from independent Claim 1 (GROUP III). Thus, all of the claims of GROUP X are patentable for the same reasons that the claims of GROUP III are patentable.

The rejection of GROUP X is further flawed because the Examiner has not shown all limitations of any claim to be disclosed or suggested by the references, alone or in combination:

- the Examiner has conceded that no substantial evidence has been provided in support of any rejection of any of the dependent claims (including Claim 43), and has thus conceded that no *prima facie* case of obviousness has been established for any of the claims of GROUP X.

In addition, the § 103 rejection fails because the cited references do not teach or suggest any limitation generally related to:

- *issuing a new coupon to a recipient of said coupon if said coupon's benefit increases after said recipient has redeemed said coupon.*

The Examiner has thus failed to establish a *prima facie* case of obviousness of the claims of GROUP X.

11.1. No Prima Facie Showing of Obviousness of GROUP X

The Examiner has based his rejections of the claims of GROUP X on a view of the prior art that is unsupported by the record. Even after we requested documentary support, the Examiner did not provide any evidence supporting his allegations about the scope and content of the prior art. Accordingly, the Examiner has not presented a *prima facie* case of obviousness of any claim of GROUP X.

The proper legal standard under § 103(a) is described above.

11.1.1. No showing that the references suggest issuing a new coupon to a recipient of said coupon if said coupon's benefit increases after said recipient has redeemed said coupon

The Examiner has not shown any reference teaching or suggesting the feature of *issuing a new coupon to a recipient of said coupon if said coupon's benefit increases after said recipient has redeemed said coupon*.

"Official Notice" is Unsupported

The Examiner makes the unsupported assertion that this feature of Claim 43 was "well known and expected in the art." [Office Action, page 6]. As discussed above, the Examiner has conceded that no *prima facie* case of obviousness of any dependent claim has been established.

There is no reference of record that even remotely suggests issuing a new coupon if the coupon's benefit has increased after the coupon was redeemed. None of the cited references (Christensen and Kanter) even hints at a feature of *issuing a new coupon to a recipient of said coupon if said coupon's benefit increases after said recipient has redeemed said coupon*. The Examiner's conclusory and unsupported assessment that Christensen might "suggest" such a limitation is not substantial evidence supported by the record.

11.2. Summary

In conclusion, the Examiner has not set forth a *prima facie* case of obviousness of the claim of Group X, none of the references (alone or in combination) disclose or suggest the limitations of the claim of Group X, and none of the references (alone or in combination) possesses the advantages conferred by those limitations. Accordingly, for at least those reasons, Claim 43 is patentable in view of the cited references.

E.12. GROUP XI: Claims 48 and 49

GROUP XI includes independent Claim 48 and dependent Claim 49.

The rejection of the claim of GROUP XI is flawed because the Examiner has not made a *prima facie* case of unpatentability of any claim of GROUP XI.

In particular, the Examiner has not shown all limitations of Claim 48 to be disclosed or suggested by the references, alone or in combination, including:

- *changing said coupon's associated benefit a first amount upon receiving notice of a completion of said first qualifying action.*

The rejection is also based on improper combinations and modifications of the references without adequate motivation in the prior art for making the proposed combinations and modifications. The Examiner has thus failed to establish a *prima facie* case of obviousness of Claim 48.

12.1. No Prima Facie Showing of Obviousness of GROUP XI

The Examiner has based his rejections of the claims of GROUP XI on a view of the prior art which is unsupported by the record. Even after we requested documentary support, the Examiner did not provide any evidence supporting his allegations about the scope and content of the prior art. Accordingly, the Examiner has not presented a *prima facie* case of obviousness of any claim of GROUP XI.

The proper legal standard under § 103(a) is described above.

12.1.1. No showing that the references suggest *changing said coupon's associated benefit a first amount upon receiving notice of a completion of said first qualifying action*

The Examiner has not shown that the references, alone or in combination, suggest *changing said coupon's associated benefit a first amount upon receiving notice of a completion of said first qualifying action* as recited in independent Claim 48.

Factual Findings

The closest the Examiner comes is the statement: “Independent claim 48 is rejected for substantially the same reasons as independent claim 1.” [Third Office Action, page 6].

The Examiner’s cursory findings with respect to independent Claim 1 are discussed above (GROUP III). In summary, the Examiner has asserted that Christensen somehow “shows” or “implicitly shows” all of the features of Claim 1 and that Kanter somehow “shows the ‘variation condition’ elements and limitations of claim 1.”

The Examiner clearly has not considered the limitations of Claim 48. The term “benefit variation condition” does not even appear in Claim 48.

There is no finding by the Examiner as to how the Examiner has interpreted any language of Claim 48, which differs from that of Claim 1, much less any finding as to how any portion of either Christensen or Kanter suggests any subject matter of Claim 48.

The Examiner might be relying on Christensen (perhaps in FIG. 14) as somehow “showing” *changing said coupon’s associated benefit a first amount upon receiving notice of a completion of said first qualifying action.*

In fact, Christensen and Kanter lack any hint of such features.

The Examiner also may be relying on the conclusory statement that Christensen “shows the establishing an initial benefit for a coupon...notice and updating elements and limitations of claim 1.” [Office Action, page 5].

As discussed above, no reasoning or explanation is provided for the Examiner’s conclusory statement. We have traversed the omnibus assertions as to what Christensen and Kanter supposedly “show,” “implicitly “show,” or “suggest.” [Response transmitted March 5, 2003, pages 39 (“Christensen Does Not Suggest All of the Features of All of Claims 1-167”) and 40].

With the exception of noting FIG. 14 of Christensen during the first Telephone Interview, the Examiner has never provided any additional findings or clarification in the record. The Examiner has never clarified as to how FIG. 14 in particular shows a “benefit variation” (Claim 1) nor has the Examiner ever asserted any finding of any reference as to any specific limitation of Claim 48.

These Findings Have No Support in the Record

There is no substantial evidence in the record that Christensen or Kanter would suggest *changing said coupon's associated benefit a first amount upon receiving notice of a completion of said first qualifying action*.

As noted above, the Examiner has failed to specifically address any limitation of Claim 48, stating only that the reasons for rejection are "substantially the same" as for independent Claim 1. The Examiner, however, has failed to provide any indication as to how any language of Claim 48 is being interpreted or what reference purportedly suggests any particular feature.

Nowhere in any Office Action has the Examiner asserted what any portion of Christensen explicitly discloses. As discussed above, FIG. 14 is devoid of any hint of "benefit variation" of a coupon. FIG. 14 is a further detail of FIG. 6. [Column 5, line 24]. Each of FIG. 6 and FIG. 14 illustrates a display coupon menu from which "a consumer may select a coupon for printing by clicking on the coupon or selecting the coupon using a pull-down menu or the like." [Column 9, lines 9-14].

Thus, there is no suggestion in either figure (or accompanying text) that the benefit of a particular coupon in the Christensen system may vary, much less a condition by which the benefit of a coupon may vary, much less changing the associated benefit of a coupon *upon receiving notice of completion of a qualifying action*.

Also, contrary to the Examiner's implied assertion, Kanter is devoid of any hint or suggestion of a "variation condition," much less *changing said coupon's associated benefit a first amount upon receiving notice of a completion of said first qualifying action*, as recited in independent Claim 48. Kanter describes:

an incentive program which also allows a sponsoring financial institution to issue to participants, rebates...which can be redeemed in cash, coupons, checks, catalog products, trips, goods or service from designated merchants, or any combination thereof

[Column 15, lines 19-25.] Kanter thus describes a system in which a rebate may be redeemed in the form of a coupon. There is nothing in Kanter, however, that would suggest that a coupon in the Kanter system, once issued to a participant, has a variable benefit, or is associated with a condition for such variation. To the

contrary, the coupon, like the alternatives of cash or catalog products, is merely a fixed form of the issued rebate.

Accordingly, there is nothing in either Christensen or Kanter, alone or in combination, that would suggest *changing said coupon's associated benefit a first amount upon receiving notice of a completion of said first qualifying action*.

In supporting his conclusory characterizations of Christensen and Kanter, the Examiner refers to nearly every line of each reference (see Office Action, pages 4-5), none of which is at all relevant to *changing said coupon's associated benefit a first amount upon receiving notice of a completion of said first qualifying action*. We have requested that the Examiner identify the most relevant citations for the disclosure of Christensen that the Examiner believes suggests each particular limitation of Claim 1. [Response transmitted March 5, 2003 ("Christensen Does Not Suggest All of the Features of All of Claims 1-167"), page 39].

Tellingly, with the exception of the reference to FIG. 14 of Christensen, the Examiner has never offered any further clarification or reasoning.

Thus, the references, alone or in combination, do not suggest a limitation of *changing said coupon's associated benefit a first amount upon receiving notice of a completion of said first qualifying action*. The Examiner otherwise has failed to provide substantial evidence to support even a *prima facie* case of obviousness. The rejection fails for at least this reason.

12.1.2. No showing of a proper motivation to combine the references

Each rejection, including the rejection of Claim 48, includes a combination of the Christensen and Kanter references. The Examiner simply has not shown a motivation in the prior art of record to modify the references in the manner proposed by the Examiner, or in any other manner that renders the claims obvious.

The applicable law is discussed above.

No Substantial Evidence of a Motivation to Combine

The Examiner relies on the same asserted motivations for all rejections. As discussed above (with respect to Claim 3, which depends from independent Claim 1), the Examiner has not provided substantial evidence of a motivation to combine the Christensen and Kanter references.

Further the Examiner has failed to provide substantial evidence of a motivation to combine the Christensen and Kanter references in such a way as to provide specifically for the feature of *changing said coupon's associated benefit a first amount upon receiving notice of a completion of said first qualifying action*. The Examiner does not make any findings with respect to a motivation to provide for this feature, and in fact does not even mention this feature at all.

With respect to reason (i), Motivation A of Kanter would not cause one to seek out a promotion system that relies exclusively on coupon distribution and redemption, much less the particular coupon system of Christensen. Christensen has nothing to do with “multilevel selling” on behalf of a merchant, an “incentive award program” in which participants can “redeem their earnings,” or motivating “participants to make referrals on behalf of the program.” Further, Christensen has nothing to do with either placing calls or discounts on calls, much less “wherein discounts apply on calls placed to certain individuals by those that recruited the individuals.” Accordingly, Motivation A would not have caused one to seek out Christensen.

Motivation B of Christensen would not cause one to seek out a system that disparages coupon distribution campaigns, much less the particular system of Kanter. Kanter has nothing to do with “improv[ing] consumer response to coupon distribution campaigns” or “provid[ing] more accurate data of which consumers redeem particular coupons in a coupon distribution campaign.” In fact, as discussed above, Kanter teaches away from such promotional campaigns as time consuming, confusing and an “administrative nightmare.” Accordingly, Motivation B would not have caused one to seek out Kanter.

With respect to reason (ii), the combination (Christensen and Kanter) does not further the proposed Motivation A or Motivation B. Christensen does not in any way allow a customer to achieve discounts “on calls placed to certain individuals by those that recruited the individuals...[or to] provide an incentive award program which can motivate participants to make referrals on behalf of the

program.” Kanter does not in any way provide more accurate data of which consumers redeem particular coupons in a coupon distribution campaign.

With respect to reason (iii), neither Motivation A nor Motivation B would suggest the desirability of modifying the coupon distribution system of Christensen to provide specifically for the feature of *changing said coupon’s associated benefit a first amount upon receiving notice of a completion of said first qualifying action*, as recited in independent Claim 48. The Examiner does not provide any reasoning or support in the evidence of record as to why the asserted desirability of “a merchant’s multilevel selling campaign and/or incentive award program and redeem their earnings,” “an incentive award program which can motivate participants to make referrals on behalf of the program,” “to improve consumer response to coupon distribution campaigns,” or “to provide more accurate data of which consumers redeem particular coupons in a coupon distribution campaign”, would specifically suggest to one of ordinary skill in the art the desirability of *changing said coupon’s associated benefit a first amount upon receiving notice of a completion of said first qualifying action* in the Christensen system to meet any of the asserted desirable objectives.

Also, the asserted motivation “wherein discounts apply on calls placed to certain individuals by those that recruited the individuals” suggests neither that a benefit of a coupon may vary, nor *changing said coupon’s associated benefit a first amount upon receiving notice of a completion of said first qualifying action*, much less a motivation for modifying the coupon distribution campaign system of Christensen. In fact, Kanter describes such “discounts on calls” as an incentive that was not available in the prior art to be offered by “any company that is not a telecommunication service distributor, as obviously, such companies do not sell telecommunication services.” [Column 14, lines 16-26.] It is not clear to Applicants how Kanter’s description of how discounts on calls were previously unavailable as incentives for non-telecommunication companies suggests either a motivation to provide for *changing said coupon’s associated benefit a first amount upon receiving notice of a completion of said first qualifying action* or a motivation to modify the coupon distribution campaign system of Christensen.

Thus, the combination of Christensen and Kanter has nothing to do with the embodiment of Claim 48. Further, as described above, any such combination would still lack all of the features of Claim 48, and these features have significant

advantages. Finally, any such combination would not solve any of the problems addressed by the embodiment of Claim 48.

Also, as discussed above, the Christensen and Kanter references are not analogous art.

12.1.3. Level of Skill

Applicable Law

A factual predicate underlying an obviousness determination is the level of ordinary skill in the art. In re Rouffet, 149 F.3d 1350, 1355 (Fed. Cir. 1998). The skill level is one component of the inquiry for a suggestion to combine. In re Rouffet, 149 F.3d 1350, 1359 (Fed. Cir. 1998).

Lacking a motivation to combine, there is no prima facie case of obviousness. In re Rouffet, 149 F.3d 1350, 1358 (Fed. Cir. 1998). If examination at the initial stage does not produce a prima facie case of unpatentability, then without more the applicant is entitled to grant of the patent. In re Oetiker, 977 F.2d 1443, 1445 (Fed. Cir. 1992).

Factual Findings

Though required to do so, the Examiner has not set forth any evidence relating to the level of ordinary skill in the art, and has not even alleged what the level of skill in the art would be. The rejection fails for at least this reason.

12.2. The Claims of GROUP XI are Allowable Over the Cited References

As described above, the Examiner has failed to provide a *prima facie* showing of anticipation of the claims of GROUP XI in light of either Christensen or Kanter.

In addition, as described above, neither of the references anticipates the claims of GROUP XI.

In addition, the references cannot be combined in any manner that would render the claim of GROUP XI obvious.

12.2.1. The references do not suggest all of the features

As discussed in Section 12.1.1 above, the cited references, alone or in combination, do not suggest the feature of:

- *changing said coupon's associated benefit a first amount upon receiving notice of a completion of said first qualifying action*

as provided for in Claim 48.

Accordingly, the references, alone or in combination, cannot teach or suggest all of the features of the claim of GROUP XI.

12.2.2. No motivation to combine the references

As discussed in Section 12.1.2 above, the Examiner's purported finding of a suggestion in the record to make the combination and modification of the references does not in fact support any such modification or combination.

Further, Kanter teaches away from any combination with a promotion system based on coupon distribution, like Christensen.

12.3. Summary

In conclusion, the Examiner has not set forth a *prima facie* case of obviousness of the claims of Group XI, none of the references (alone or in combination) disclose or suggest the limitations of the claims of Group XI, and none of the references (alone or in combination) possesses the advantages conferred by those limitations. Accordingly, for at least those reasons, Claims 48 and 49 are patentable in view of the cited references.

E.13. GROUP XII: Claims 50-54

GROUP XII includes dependent Claims **50-54**.

Claims **50-53** depend (directly or indirectly) from independent Claim **48** (GROUP XI). Thus, all of the claims of GROUP XII are patentable for the same reasons that the claims of GROUP XI are patentable.

The rejection of GROUP XII is further flawed because the Examiner has not shown all limitations of any claim to be disclosed or suggested by the references, alone or in combination:

- the Examiner has conceded that no substantial evidence has been provided in support of any rejection of any of the dependent claims (including Claims **50-54**), and has thus conceded that no *prima facie* case of obviousness has been established for any of the claims of GROUP XII.

In addition, the § 103 rejection fails because the cited references do not teach or suggest any limitation generally related to:

- *wherein said first qualifying action includes forwarding of said coupon by said initial recipient to a primary recipient.*

The Examiner has thus failed to establish a *prima facie* case of obviousness of the claims of GROUP XII.

13.1. No Prima Facie Showing of Obviousness of GROUP XII

The Examiner has based his rejections of the claims of GROUP XII on a view of the prior art that is unsupported by the record. Even after we requested documentary support, the Examiner did not provide any evidence supporting his allegations about the scope and content of the prior art. Accordingly, the Examiner has not presented a *prima facie* case of obviousness of any claim of GROUP XII.

The proper legal standard under § 103(a) is described above.

13.1.1. No showing that the references suggest *wherein said first qualifying action includes forwarding of said coupon by said initial recipient to a primary recipient*

The Examiner has not shown any reference teaching or suggesting the feature of *wherein said first qualifying action includes forwarding of said coupon by said initial recipient to a primary recipient*.

“Official Notice” is Unsupported

The Examiner makes the unsupported assertion that this feature of Claim 50 was “well known and expected in the art.” [Office Action, page 8]. As discussed above, the Examiner has conceded that no *prima facie* case of obviousness of any dependent claim has been established.

There is no reference of record that even remotely suggests forwarding a coupon from one recipient to another (or one recipient receiving a coupon from another), much less in which qualifying action comprises such forwarding, much less changing a benefit of a coupon upon receiving notice of such forwarding. None of the cited references (Christensen and Kanter) even hints at a feature of *wherein said first qualifying action includes forwarding of said coupon by said initial recipient to a primary recipient*. The Examiner’s conclusory and unsupported assessment that Christensen might “suggest” such a limitation is not substantial evidence supported by the record.

13.2. Summary

In conclusion, the Examiner has not set forth a *prima facie* case of obviousness of the claims of Group XII, none of the references (alone or in combination) disclose or suggest the limitations of the claims of Group XII, and none of the references (alone or in combination) possesses the advantages conferred by those limitations. Accordingly, for at least those reasons, Claims 50-54 are patentable in view of the cited references.

E.14. GROUP XIII: Claim 55

GROUP XIII includes dependent Claim 55.

Claim 55 depends from independent Claim 48 (GROUP XI). Thus, all of the claims of GROUP XIII are patentable for the same reasons that the claims of GROUP XI are patentable.

The rejection of GROUP XIII is further flawed because the Examiner has not shown all limitations of any claim to be disclosed or suggested by the references, alone or in combination:

- the Examiner has conceded that no substantial evidence has been provided in support of any rejection of any of the dependent claims (including Claim 55), and has thus conceded that no *prima facie* case of obviousness has been established for any of the claims of GROUP XIII.

In addition, the § 103 rejection fails because the cited references do not teach or suggest any limitation generally related to:

- *crediting a financial account associated with a recipient of said coupon if said benefit of said coupon increases after said recipient has redeemed said coupon.*

The Examiner has thus failed to establish a *prima facie* case of obviousness of the claims of GROUP XIII.

14.1. No Prima Facie Showing of Obviousness of GROUP XIII

The Examiner has based his rejections of the claims of GROUP XIII on a view of the prior art that is unsupported by the record. Even after we requested documentary support, the Examiner did not provide any evidence supporting his allegations about the scope and content of the prior art. Accordingly, the Examiner has not presented a *prima facie* case of obviousness of any claim of GROUP XIII.

The proper legal standard under § 103(a) is described above.

14.1.1. No showing that the references suggest crediting a financial account associated with a recipient of said coupon if said benefit of said coupon increases after said recipient has redeemed said coupon

The Examiner has not shown any reference teaching or suggesting the feature of *crediting a financial account associated with a recipient of said coupon if said benefit of said coupon increases after said recipient has redeemed said coupon*.

“Official Notice” is Unsupported

The Examiner makes the unsupported assertion that this feature of Claim 55 was “well known and expected in the art.” [Office Action, page 8]. As discussed above, the Examiner has conceded that no *prima facie* case of obviousness of any dependent claim has been established.

There is no reference of record that even remotely suggests any crediting of a financial account after a recipient has redeemed a coupon, much less if the coupon’s benefit has increased. None of the cited references (Christensen and Kanter) even hints at a feature of *crediting a financial account associated with a recipient of said coupon if said benefit of said coupon increases after said recipient has redeemed said coupon*. The Examiner’s conclusory and unsupported assessment that Christensen might “suggest” such a limitation is not substantial evidence supported by the record.

14.2. Summary

In conclusion, the Examiner has not set forth a *prima facie* case of obviousness of the claim of Group XIII, none of the references (alone or in combination) disclose or suggest the limitations of the claim of Group XIII, and none of the references (alone or in combination) possesses the advantages conferred by those limitations. Accordingly, for at least those reasons, Claim 55 is patentable in view of the cited references.

E.15. GROUP XIV: Claim 56

GROUP XIV includes dependent Claim 56.

Claim 56 depends from independent Claim 48 (GROUP XI). Thus, all of the claims of GROUP XIV are patentable for the same reasons that the claims of GROUP XI are patentable.

The rejection of GROUP XIV is further flawed because the Examiner has not shown all limitations of any claim to be disclosed or suggested by the references, alone or in combination:

- the Examiner has conceded that no substantial evidence has been provided in support of any rejection of any of the dependent claims (including Claim 56), and has thus conceded that no *prima facie* case of obviousness has been established for any of the claims of GROUP XIV.

In addition, the § 103 rejection fails because the cited references do not teach or suggest any limitation generally related to:

- *issuing a new coupon to a recipient of said coupon if said benefit of said coupon increases after said recipient has redeemed said coupon; and*
- *notifying a recipient of said coupon of a change in benefit of said coupon.*

The Examiner has thus failed to establish a *prima facie* case of obviousness of the claims of GROUP XIV.

15.1. No Prima Facie Showing of Obviousness of GROUP XIV

The Examiner has based his rejections of the claims of GROUP XIV on a view of the prior art that is unsupported by the record. Even after we requested documentary support, the Examiner did not provide any evidence supporting his allegations about the scope and content of the prior art. Accordingly, the Examiner has not presented a *prima facie* case of obviousness of any claim of GROUP XIV.

The proper legal standard under § 103(a) is described above.

15.1.1. No showing that the references suggest issuing a new coupon to a recipient of said coupon if said benefit of said coupon increases after said recipient has redeemed said coupon

The Examiner has not shown any reference teaching or suggesting the feature of *issuing a new coupon to a recipient of said coupon if said benefit of said coupon increases after said recipient has redeemed said coupon*.

“Official Notice” is Unsupported

The Examiner makes the unsupported assertion that this feature of Claim 56 was “well known and expected in the art.” [Office Action, page 8]. As discussed above, the Examiner has conceded that no *prima facie* case of obviousness of any dependent claim has been established.

There is no reference of record that even remotely suggests issuing a new coupon if the coupon’s benefit has increased after the coupon was redeemed. None of the cited references (Christensen and Kanter) even hints at a feature of *issuing a new coupon to a recipient of said coupon if said benefit of said coupon increases after said recipient has redeemed said coupon*. The Examiner’s conclusory and unsupported assessment that Christensen might “suggest” such a limitation is not substantial evidence supported by the record.

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15.1.2. No showing that the references suggest notifying a recipient of said coupon of a change in benefit of said coupon

The Examiner has not shown any reference teaching or suggesting the feature of *notifying a recipient of said coupon of a change in benefit of said coupon*.

“Official Notice” is Unsupported

The Examiner makes the unsupported assertion that this feature of Claim 56 was “well known and expected in the art.” [Office Action, page 8]. As discussed above, the Examiner has conceded that no *prima facie* case of obviousness of any dependent claim has been established.

There is no reference of record that even remotely suggests notifying a recipient of a change in the benefit of a coupon, much less when such a change takes place after the coupon is redeemed. None of the cited references (Christensen and Kanter) even hints at a feature of *notifying a recipient of said coupon of a change in benefit of said coupon*. The Examiner's conclusory and unsupported assessment that Christensen might "suggest" such a limitation is not substantial evidence supported by the record.

15.2. Summary

In conclusion, the Examiner has not set forth a *prima facie* case of obviousness of the claim of Group XIV, none of the references (alone or in combination) disclose or suggest the limitations of the claim of Group XIV, and none of the references (alone or in combination) possesses the advantages conferred by those limitations. Accordingly, for at least those reasons, Claim 56 is patentable in view of the cited references.

E.16. GROUP XV: Claim 57

GROUP XV includes dependent Claim 57.

Claim 57 depends from independent Claim 48 (GROUP XI). Thus, all of the claims of GROUP XV are patentable for the same reasons that the claims of GROUP XI are patentable.

The rejection of GROUP XV is further flawed because the Examiner has not shown all limitations of any claim to be disclosed or suggested by the references, alone or in combination:

- the Examiner has conceded that no substantial evidence has been provided in support of any rejection of any of the dependent claims (including Claim 57), and has thus conceded that no *prima facie* case of obviousness has been established for any of the claims of GROUP XV.

In addition, the § 103 rejection fails because the cited references do not teach or suggest any limitation generally related to:

- *wherein said notice of a completion of said first qualifying action is considered to be received unless a notice is received that said qualifying action has not been completed.*

The Examiner has thus failed to establish a *prima facie* case of obviousness of the claims of GROUP XV.

16.1. No Prima Facie Showing of Obviousness of GROUP XV

The Examiner has based his rejections of the claims of GROUP XV on a view of the prior art that is unsupported by the record. Even after we requested documentary support, the Examiner did not provide any evidence supporting his allegations about the scope and content of the prior art. Accordingly, the Examiner has not presented a *prima facie* case of obviousness of any claim of GROUP XV.

The proper legal standard under § 103(a) is above.

16.1.1. No showing that the references suggest wherein said notice of a completion of said first qualifying action is considered to be received unless a notice is received that said qualifying action has not been completed

The Examiner has not shown any reference teaching or suggesting the feature of *wherein said notice of a completion of said first qualifying action is considered to be received unless a notice is received that said qualifying action has not been completed*.

“Official Notice” is Unsupported

The Examiner makes the unsupported assertion that this feature of Claim 57 was “well known and expected in the art.” [Office Action, page 8]. As discussed above, the Examiner has conceded that no *prima facie* case of obviousness of any dependent claim has been established.

None of the cited references (Christensen and Kanter) even hints at a feature in which *wherein said notice of a completion of said first qualifying action is considered to be received unless a notice is received that said qualifying action has not been completed*. The Examiner’s conclusory and unsupported assessment that Christensen might “suggest” such a limitation is not substantial evidence supported by the record.

16.2. Summary

In conclusion, the Examiner has not set forth a *prima facie* case of obviousness of the claim of Group XV, none of the references (alone or in combination) disclose or suggest the limitations of the claim of Group XV, and none of the references (alone or in combination) possesses the advantages conferred by those limitations. Accordingly, for at least those reasons, Claim 57 is patentable in view of the cited references.

E.17. GROUP XVI: Claims 58, 59, 61, 62, 70, 73 and 74

GROUP XVI includes independent Claim 58 and dependent Claims 59, 61, 62, 70, 73 and 74.

The rejection of the claim of GROUP XVI is flawed because the Examiner has not made a *prima facie* case of unpatentability of any claim of GROUP XVI.

In particular, the Examiner has not shown all limitations of Claim 58 to be disclosed or suggested by the references, alone or in combination, including:

- *changing said benefit of said coupon upon receipt of an indication of completion of said first qualifying action by said first recipient.*

The rejection is also based on improper combinations and modifications of the references without adequate motivation in the prior art for making the proposed combinations and modifications. The Examiner has thus failed to establish a *prima facie* case of obviousness of Claim 58.

17.1. No Prima Facie Showing of Obviousness of GROUP XVI

The Examiner has based his rejections of the claims of GROUP XVI on a view of the prior art which is unsupported by the record. Even after we requested documentary support, the Examiner did not provide any evidence supporting his allegations about the scope and content of the prior art. Accordingly, the Examiner has not presented a *prima facie* case of obviousness of any claim of GROUP XVI.

The proper legal standard under § 103(a) is described above.

17.1.1. No showing that the references suggest *changing said benefit of said coupon upon receipt of an indication of completion of said first qualifying action by said first recipient*

The Examiner has not shown that the references, alone or in combination, suggest *changing said benefit of said coupon upon receipt of an indication of completion of said first qualifying action by said first recipient* as recited in independent Claim 58.

Factual Findings

The closest the Examiner comes is the statement: "Independent claim 58 is rejected for substantially the same reasons as independent claim 48," which is rejected "for substantially the same reasons as independent claim 1." [Office Action, pages 7, 8].

The Examiner's cursory findings with respect to independent Claim 1 are discussed above. In summary, the Examiner has asserted that Christensen somehow "shows" or "implicitly shows" all of the features of Claim 1 and that Kanter somehow "shows the 'variation condition' elements and limitations of claim 1."

The Examiner clearly has not considered the limitations of Claim 58. The term "benefit variation condition" does not even appear in Claim 58.

There is no finding by the Examiner as to how the Examiner has interpreted any language of Claim 58, which differs from that of Claim 1, much less any finding as to how any portion of either Christensen or Kanter suggests any subject matter of Claim 58.

The Examiner might be relying on Christensen (perhaps in FIG. 14) as somehow "suggesting" *changing said benefit of said coupon upon receipt of an indication of completion of said first qualifying action by said first recipient.*

In fact, Christensen and Kanter lack any hint of such features.

As discussed above, no reasoning or explanation is provided for the Examiner's conclusory statements. We have traversed the omnibus assertions as to what Christensen and Kanter supposedly "suggest." [Response transmitted March 5, 2003, pages 39 ("Christensen Does Not Suggest All of the Features of All of Claims 1-167") and 40].

With the exception of noting FIG. 14 of Christensen during the first Telephone Interview, the Examiner has never provided any additional findings or clarification in the record. The Examiner has never clarified as to how FIG. 14 in particular "shows" or "implicitly shows" a "benefit variation" (Claim 1) nor has the Examiner ever asserted any finding of any reference as to any specific limitation of Claim 58.

These Findings Have No Support in the Record

There is no substantial evidence in the record that Christensen or Kanter would suggest *changing said benefit of said coupon upon receipt of an indication of completion of said first qualifying action by said first recipient*.

As noted above, the Examiner has failed to specifically address any limitation of Claim **58**, stating only that the reasons for rejection are “substantially the same” as for independent Claims **48 and 1**. The Examiner also has failed to provide any indication as to how any language of Claim **58** is being interpreted or what reference purportedly suggests any particular feature.

Nowhere in any Office Action has the Examiner asserted what any portion of Christensen explicitly discloses. As discussed above, FIG. 14 is devoid of any hint of “benefit variation” of a coupon. FIG. 14 is a further detail of FIG. 6. [Column 5, line 24]. Each of FIG. 6 and FIG. 14 illustrates a display coupon menu from which “a consumer may select a coupon for printing by clicking on the coupon or selecting the coupon using a pull-down menu or the like.” [Column 9, lines 9-14].

Thus, there is no suggestion in either figure (or accompanying text) that the benefit of a particular coupon in the Christensen system may vary, much less a condition by which the benefit of a coupon may vary, much less changing the associated benefit of a coupon upon receiving notice of completion of a qualifying action.

Also, contrary to the Examiner’s implied assertion, Kanter is devoid of any hint or suggestion of a “variation condition,” much less for *changing said benefit of said coupon upon receipt of an indication of completion of said first qualifying action by said first recipient*, as recited in independent Claim **58**. Kanter describes:

an incentive program which also allows a sponsoring financial institution to issue to participants, rebates...which can be redeemed in cash, coupons, checks, catalog products, trips, goods or service from designated merchants, or any combination thereof

[Column 15, lines 19-25.] Kanter thus describes a system in which a rebate may be redeemed in the form of a coupon. There is nothing in Kanter, however, that would suggest that a coupon in the Kanter system, once issued to a participant,

has a variable benefit, or is associated with a condition for such variation. To the contrary, the coupon, like the alternatives of cash or catalog products, is merely a fixed form of the issued rebate.

Accordingly, there is nothing in either Christensen or Kanter, alone or in combination, that would suggest *changing said benefit of said coupon upon receipt of an indication of completion of said first qualifying action by said first recipient*.

In supporting his conclusory characterizations of Christensen and Kanter, the Examiner refers to nearly every line of each reference (see Office Action, pages 4-5), none of which is at all relevant to for *changing said benefit of said coupon upon receipt of an indication of completion of said first qualifying action by said first recipient*. We have requested that the Examiner identify the most relevant citations for the disclosure of Christensen that the Examiner believes suggests each particular limitation of Claim 1. [Response transmitted March 5, 2003 (“Christensen Does Not Suggest All of the Features of All of Claims 1-167”), page 39].

Tellingly, with the exception of the reference to FIG. 14 of Christensen, the Examiner has never offered any further clarification or reasoning.

Thus, the references, alone or in combination, do not suggest a limitation of *changing said benefit of said coupon upon receipt of an indication of completion of said first qualifying action by said first recipient*. The Examiner otherwise has failed to provide substantial evidence to support even a *prima facie* case of obviousness. The rejection fails for at least this reason.

17.1.2. No showing that the references suggest associating a first qualifying action with a coupon, whereby a benefit for said coupon changes upon completion of said first qualifying action by a first recipient of said coupon

Similarly, the Examiner has not shown that the references, alone or in combination, suggest *associating a first qualifying action with a coupon, whereby a benefit for said coupon changes upon completion of said first qualifying action by a first recipient of said coupon* as recited in independent Claim 58.

There is no factual finding nor substantial evidence that any reference of record even remotely suggests such a feature. The Examiner's conclusory and unspecified assertion that Christensen "shows" all of the features of every claim is not substantial evidence. Further, the Examiner has not even specifically addressed any of the language of independent Claim 58, much less the above feature. There is nothing in the references that suggests that the benefit of a coupon changes, much less associating a first qualifying action with a coupon, *whereby a benefit for said coupon changes upon completion of said first qualifying action by a first recipient of said coupon.*

17.1.3. No showing of a proper motivation to combine the references

Each rejection, including the rejection of Claim 58, includes a combination of the Christensen and Kanter references. The Examiner simply has not shown a motivation in the prior art of record to modify the references in the manner proposed by the Examiner, or in any other manner that renders the claims obvious.

The applicable law is discussed above.

No Substantial Evidence of a Motivation to Combine

The Examiner relies on the same asserted motivations for all rejections. As discussed above (with respect to Claim 3, which depends from independent Claim 1), the Examiner has not provided substantial evidence of a motivation to combine the Christensen and Kanter references.

Further the Examiner has failed to provide substantial evidence of a motivation to combine the Christensen and Kanter references in such a way as to provide specifically for the feature of *changing said benefit of said coupon upon receipt of an indication of completion of said first qualifying action by said first recipient.* The Examiner does not make any findings with respect to a motivation to provide for this feature, and in fact does not even mention this feature at all.

With respect to reason (i), Motivation A of Kanter would not cause one to seek out a promotion system that relies exclusively on coupon distribution and

redemption, much less the particular coupon system of Christensen. Christensen has nothing to do with “multilevel selling” on behalf of a merchant, an “incentive award program” in which participants can “redeem their earnings,” or motivating “participants to make referrals on behalf of the program.” Further, Christensen has nothing to do with either placing calls or discounts on calls, much less “wherein discounts apply on calls placed to certain individuals by those that recruited the individuals.” Accordingly, Motivation A would not have caused one to seek out Christensen.

Motivation B of Christensen would not cause one to seek out a system that disparages coupon distribution campaigns, much less the particular system of Kanter. Kanter has nothing to do with “improv[ing] consumer response to coupon distribution campaigns” or “provid[ing] more accurate data of which consumers redeem particular coupons in a coupon distribution campaign.” In fact, as discussed above, Kanter teaches away from such promotional campaigns as time consuming, confusing and an “administrative nightmare.” Accordingly, Motivation B would not have caused one to seek out Kanter.

With respect to reason (ii), the combination (Christensen and Kanter) does not further the proposed Motivation A or Motivation B. Christensen does not in any way allow a customer to achieve discounts “on calls placed to certain individuals by those that recruited the individuals...[or to] provide an incentive award program which can motivate participants to make referrals on behalf of the program.” Kanter does not in any way provide more accurate data of which consumers redeem particular coupons in a coupon distribution campaign.

With respect to reason (iii), neither Motivation A nor Motivation B would suggest the desirability of modifying the coupon distribution system of Christensen to provide specifically for the feature of *changing said benefit of said coupon upon receipt of an indication of completion of said first qualifying action by said first recipient*, as recited in independent Claim 58. The Examiner does not provide any reasoning or support in the evidence of record as to why the asserted desirability of “a merchant’s multilevel selling campaign and/or incentive award program and redeem their earnings,” “an incentive award program which can motivate participants to make referrals on behalf of the program,” “to improve consumer response to coupon distribution campaigns,” or “to provide more accurate data of which consumers redeem particular coupons in a coupon distribution campaign”, would specifically suggest to one of ordinary

skill in the art the desirability of *changing said benefit of said coupon upon receipt of an indication of completion of said first qualifying action by said first recipient* in the Christensen system to meet any of the asserted desirable objectives.

Also, the asserted motivation “wherein discounts apply on calls placed to certain individuals by those that recruited the individuals” suggests neither that a benefit of a coupon may vary, nor *changing said benefit of said coupon upon receipt of an indication of completion of said first qualifying action by said first recipient*, much less a motivation for modifying the coupon distribution campaign system of Christensen. In fact, Kanter describes such “discounts on calls” as an incentive that was not available in the prior art to be offered by “any company that is not a telecommunication service distributor, as obviously, such companies do not sell telecommunication services.” [Column 14, lines 16-26.] It is not clear to Applicants how Kanter’s description of how discounts on calls were previously unavailable as incentives for non-telecommunication companies suggests either a motivation to provide for *changing said benefit of said coupon upon receipt of an indication of completion of said first qualifying action by said first recipient* or a motivation to modify the coupon distribution campaign system of Christensen.

Thus, the combination of Christensen and Kanter has nothing to do with the embodiment of Claim 58. Further, as described above, any such combination would still lack all of the features of Claim 58, and these features have significant advantages. Finally, any such combination would not solve any of the problems addressed by the embodiment of Claim 58.

Also, as discussed above, the Christensen and Kanter references are not analogous art.

17.1.4. Level of Skill

Applicable Law

A factual predicate underlying an obviousness determination is the level of ordinary skill in the art. In re Rouffet, 149 F.3d 1350, 1355 (Fed. Cir. 1998). The skill level is one component of the inquiry for a suggestion to combine. In re Rouffet, 149 F.3d 1350, 1359 (Fed. Cir. 1998).

Lacking a motivation to combine, there is no prima facie case of obviousness. In re Rouffet, 149 F.3d 1350, 1358 (Fed. Cir. 1998). If examination at the initial stage does not produce a prima facie case of unpatentability, then without more the applicant is entitled to grant of the patent. In re Oetiker, 977 F.2d 1443, 1445 (Fed. Cir. 1992).

Factual Findings

Though required to do so, the Examiner has not set forth any evidence relating to the level of ordinary skill in the art, and has not even alleged what the level of skill in the art would be. The rejection fails for at least this reason.

17.2. The Claims of GROUP XVI are Allowable Over the Cited References

As described above, the Examiner has failed to provide a *prima facie* showing of anticipation of the claims of GROUP XVI in light of either Christensen or Kanter.

In addition, as described above, neither of the references anticipates the claims of GROUP XVI.

In addition, the references cannot be combined in any manner that would render the claim of GROUP XVI obvious.

17.2.1. The references do not suggest all of the features

As discussed above, the cited references, alone or in combination, do not suggest the feature of:

- *changing said benefit of said coupon upon receipt of an indication of completion of said first qualifying action by said first recipient*

as provided for in Claim 58.

Accordingly, the references, alone or in combination, cannot teach or suggest all of the features of the claim of GROUP XVI.

17.2.2. No motivation to combine the references

As discussed above, the Examiner's purported finding of a suggestion in the record to make the combination and modification of the references does not in fact support any such modification or combination.

Further, Kanter teaches away from any combination with a promotion system based on coupon distribution, like Christensen.

17.3. Summary

In conclusion, the Examiner has not set forth a *prima facie* case of obviousness of the claims of Group XVI, none of the references (alone or in combination) disclose or suggest the limitations of the claims of Group XVI, and none of the references (alone or in combination) possesses the advantages conferred by those limitations. Accordingly, for at least those reasons, Claims **58, 59, 61, 62, 70, 73 and 74** are patentable in view of the cited references.

E.18. GROUP XVII: Claim 60

GROUP XVII includes dependent Claim 60.

Claim 60 depends from independent Claim 58 (GROUP XVI). Thus, all of the claims of GROUP XVII are patentable for the same reasons that the claims of GROUP XVI are patentable.

The rejection of GROUP XVII is further flawed because the Examiner has not shown all limitations of any claim to be disclosed or suggested by the references, alone or in combination:

- the Examiner has conceded that no substantial evidence has been provided in support of any rejection of any of the dependent claims (including Claim 60), and has thus conceded that no *prima facie* case of obviousness has been established for any of the claims of GROUP XVII.

In addition, the § 103 rejection fails because the cited references do not teach or suggest any limitation generally related to:

- *wherein said notice of completion of said first qualifying action is considered to be received unless a notice is received that said qualifying action has not been completed.*

The Examiner has thus failed to establish a *prima facie* case of obviousness of the claims of GROUP XVII.

18.1. No Prima Facie Showing of Obviousness of GROUP XVII

The Examiner has based his rejections of the claims of GROUP XVII on a view of the prior art that is unsupported by the record. Even after we requested documentary support, the Examiner did not provide any evidence supporting his allegations about the scope and content of the prior art. Accordingly, the Examiner has not presented a *prima facie* case of obviousness of any claim of GROUP XVII.

The proper legal standard under § 103(a) is described above.

18.1.1. No showing that the references suggest *wherein said notice of completion of said first qualifying action is considered to be received unless a notice is received that said qualifying action has not been completed*

The Examiner has not shown any reference teaching or suggesting the feature of *wherein said notice of completion of said first qualifying action is considered to be received unless a notice is received that said qualifying action has not been completed*.

“Official Notice” is Unsupported

The Examiner makes the unsupported assertion that this feature of Claim 60 was “well known and expected in the art.” [Third Office Action, page 9]. As discussed above, the Examiner has conceded that no *prima facie* case of obviousness of any dependent claim has been established.

None of the cited references (Christensen and Kanter) even hints at a feature in which *wherein said notice of completion of said first qualifying action is considered to be received unless a notice is received that said qualifying action has not been completed*. The Examiner’s conclusory and unsupported assessment that Christensen might “suggest” such a limitation is not substantial evidence supported by the record.

18.2. Summary

In conclusion, the Examiner has not set forth a *prima facie* case of obviousness of the claim of Group XVII, none of the references (alone or in combination) disclose or suggest the limitations of the claim of Group XVII, and none of the references (alone or in combination) possesses the advantages conferred by those limitations. Accordingly, for at least those reasons, Claim 60 is patentable in view of the cited references.

E.19. GROUP XVIII: Claims 63-66

GROUP XVIII includes dependent Claims **63-66**.

Claims **63-66** depend from independent Claim **58** (GROUP XVI). Thus, all of the claims of GROUP XVIII are patentable for the same reasons that the claims of GROUP XVI are patentable.

The rejection of GROUP XVIII is further flawed because the Examiner has not shown all limitations of any claim to be disclosed or suggested by the references, alone or in combination:

- the Examiner has conceded that no substantial evidence has been provided in support of any rejection of any of the dependent claims (including Claims **63-66**), and has thus conceded that no *prima facie* case of obviousness has been established for any of the claims of GROUP XVIII.

In addition, the § 103 rejection fails because the cited references do not teach or suggest any limitation generally related to:

- *wherein said first qualifying action includes forwarding of said coupon by said first recipient to a second recipient*, as recited in Claim **63**.

Claims **64-66** each recite a limitation generally directed to *wherein said first qualifying action includes a second recipient receiving said coupon from said first recipient*. Although receiving and forwarding are not identical in scope, the arguments made herein with respect to the lack of substantial evidence in the record of a qualifying action including forwarding a coupon from a second party to a first party are equally applicable to a feature generally related to a qualifying action including receiving of a coupon by one party from a second party. Accordingly, although the discussion and arguments below refer to Claim **63**, they are likewise applicable to Claims **64-66**.

The Examiner has thus failed to establish a *prima facie* case of obviousness of the claims of GROUP XVIII.

19.1. No Prima Facie Showing of Obviousness of GROUP XVIII

The Examiner has based his rejections of the claims of GROUP XVIII on a view of the prior art that is unsupported by the record. Even after we requested

documentary support, the Examiner did not provide any evidence supporting his allegations about the scope and content of the prior art. Accordingly, the Examiner has not presented a *prima facie* case of obviousness of any claim of GROUP XVIII.

The proper legal standard under § 103(a) is described above.

19.1.1. No showing that the references suggest wherein said first qualifying action includes forwarding of said coupon by said first recipient to a second recipient

The Examiner has not shown any reference teaching or suggesting the feature of *wherein said first qualifying action includes forwarding of said coupon by said first recipient to a second recipient*.

“Official Notice” is Unsupported

The Examiner makes the unsupported assertion that this feature of Claim 63 was “well known and expected in the art.” [Office Action, page 9]. As discussed above, the Examiner has conceded that no *prima facie* case of obviousness of any dependent claim has been established.

There is no reference of record that even remotely suggests forwarding a coupon from one recipient to another (or one recipient receiving a coupon from another), much less in which a qualifying action comprises such forwarding, much less changing a benefit of a coupon upon receiving notice of completion of such an action. None of the cited references (Christensen and Kanter) even hints at a feature of *wherein said first qualifying action includes forwarding of said coupon by said first recipient to a second recipient*. The Examiner’s conclusory and unsupported assessment that Christensen might “suggest” such a limitation is not substantial evidence supported by the record.

19.2. Summary

In conclusion, the Examiner has not set forth a *prima facie* case of obviousness of the claims of Group XVIII, none of the references (alone or in combination) disclose or suggest the limitations of the claims of Group XVIII, and none of the references (alone or in combination) possesses the advantages

conferred by those limitations. Accordingly, for at least those reasons, Claims **63-66** are patentable in view of the cited references.

E.20. GROUP XIX: Claims 67-69

GROUP XIX includes dependent Claims **67-69**.

Claims **67-69** depend from independent Claim **58** (GROUP XVI). Thus, all of the claims of GROUP XIX are patentable for the same reasons that the claims of GROUP XVI are patentable.

The rejection of GROUP XIX is further flawed because the Examiner has not shown all limitations of any claim to be disclosed or suggested by the references, alone or in combination:

- the Examiner has conceded that no substantial evidence has been provided in support of any rejection of any of the dependent claims (including Claims **67-69**), and has thus conceded that no *prima facie* case of obviousness has been established for any of the claims of GROUP XIX.

In addition, the § 103 rejection fails because the cited references do not teach or suggest any limitation generally related to:

- *associating a second qualifying action with a coupon, whereby said benefit for said coupon changes upon completion of said second qualifying action by a second recipient of said coupon.*

The Examiner has thus failed to establish a *prima facie* case of obviousness of the claims of GROUP XIX.

Claims **68 and 69** depend from Claim **67**. Accordingly, the arguments made with respect to Claim **67** are applicable equally to Claims **68 and 69**.

20.1. No Prima Facie Showing of Obviousness of GROUP XIX

The Examiner has based his rejections of the claims of GROUP XIX on a view of the prior art that is unsupported by the record. Even after we requested documentary support, the Examiner did not provide any evidence supporting his allegations about the scope and content of the prior art. Accordingly, the Examiner has not presented a *prima facie* case of obviousness of any claim of GROUP XIX.

The proper legal standard under § 103(a) is described above.

20.1.1. No showing that the references suggest *associating a second qualifying action with a coupon, whereby said benefit for said coupon changes upon completion of said second qualifying action by a second recipient of said coupon*

The Examiner has not shown any reference teaching or suggesting the feature of *associating a second qualifying action with a coupon, whereby said benefit for said coupon changes upon completion of said second qualifying action by a second recipient of said coupon*.

“Official Notice” is Unsupported

The Examiner makes the unsupported assertion that this feature of Claim 67 was “well known and expected in the art.” [Office Action, page 9]. As discussed above, the Examiner has conceded that no *prima facie* case of obviousness of any dependent claim has been established.

There is no reference of record that even remotely suggests changing the benefit of a coupon upon completion of a first qualifying action, much less changing the benefit of a coupon upon completion of a second qualifying action by a second recipient of the coupon.. None of the cited references (Christensen and Kanter) even hints at a feature of *associating a second qualifying action with a coupon, whereby said benefit for said coupon changes upon completion of said second qualifying action by a second recipient of said coupon*. The Examiner’s conclusory and unsupported assessment that Christensen might “suggest” such a limitation is not substantial evidence supported by the record.

20.2. Summary

In conclusion, the Examiner has not set forth a *prima facie* case of obviousness of the claims of Group XIX, none of the references (alone or in combination) disclose or suggest the limitations of the claims of Group XIX, and none of the references (alone or in combination) possesses the advantages conferred by those limitations. Accordingly, for at least those reasons, Claims 67-69 are patentable in view of the cited references.

E.21. GROUP XX: Claim 71

GROUP XX includes dependent Claim 71.

Claim 71 depends from independent Claim 58 (GROUP XVI). Thus, all of the claims of GROUP XX are patentable for the same reasons that the claims of GROUP XVI are patentable.

The rejection of GROUP XX is further flawed because the Examiner has not shown all limitations of any claim to be disclosed or suggested by the references, alone or in combination:

- the Examiner has conceded that no substantial evidence has been provided in support of any rejection of any of the dependent claims (including Claim 71), and has thus conceded that no *prima facie* case of obviousness has been established for any of the claims of GROUP XX.

In addition, the § 103 rejection fails because the cited references do not teach or suggest any limitation generally related to:

- *crediting a financial account associated with said first recipient if said benefit of said coupon increases after said first recipient has redeemed said coupon.*

The Examiner has thus failed to establish a *prima facie* case of obviousness of the claims of GROUP XX.

21.1. No Prima Facie Showing of Obviousness of GROUP XX

The Examiner has based his rejections of the claims of GROUP XX on a view of the prior art that is unsupported by the record. Even after we requested documentary support, the Examiner did not provide any evidence supporting his allegations about the scope and content of the prior art. Accordingly, the Examiner has not presented a *prima facie* case of obviousness of any claim of GROUP XX.

The proper legal standard under § 103(a) is described above.

21.1.1. No showing that the references suggest crediting a financial account associated with said first recipient if said benefit of said coupon increases after said first recipient has redeemed said coupon

The Examiner has not shown any reference teaching or suggesting the feature of *crediting a financial account associated with said first recipient if said benefit of said coupon increases after said first recipient has redeemed said coupon*.

“Official Notice” is Unsupported

The Examiner makes the unsupported assertion that this feature of Claim 71 was “well known and expected in the art.” [Office Action, page 9]. As discussed above, the Examiner has conceded that no *prima facie* case of obviousness of any dependent claim has been established.

There is no reference of record that even remotely suggests any crediting of a financial account after a recipient has redeemed a coupon, much less if the coupon’s benefit has increased. None of the cited references (Christensen and Kanter) even hints at a feature of *crediting a financial account associated with said first recipient if said benefit of said coupon increases after said first recipient has redeemed said coupon*. The Examiner’s conclusory and unsupported assessment that Christensen might “suggest” such a limitation is not substantial evidence supported by the record.

21.2. Summary

In conclusion, the Examiner has not set forth a *prima facie* case of obviousness of the claim of Group XX, none of the references (alone or in combination) disclose or suggest the limitations of the claim of Group XX, and none of the references (alone or in combination) possesses the advantages conferred by those limitations. Accordingly, for at least those reasons, Claim 71 is patentable in view of the cited references.

E.22. GROUP XXI: Claim 72

GROUP XXI includes dependent Claim 72.

Claim 72 depends from independent Claim 58 (GROUP XVI). Thus, all of the claims of GROUP XXI are patentable for the same reasons that the claims of GROUP XVI are patentable.

The rejection of GROUP XXI is further flawed because the Examiner has not shown all limitations of any claim to be disclosed or suggested by the references, alone or in combination:

- the Examiner has conceded that no substantial evidence has been provided in support of any rejection of any of the dependent claims (including Claim 72), and has thus conceded that no *prima facie* case of obviousness has been established for any of the claims of GROUP XXI.

In addition, the § 103 rejection fails because the cited references do not teach or suggest any limitation generally related to:

- *issuing a new coupon to said first recipient of said coupon if said benefit of said coupon increases after said first recipient has redeemed said coupon.*

The Examiner has thus failed to establish a *prima facie* case of obviousness of the claims of GROUP XXI.

22.1. No Prima Facie Showing of Obviousness of GROUP XXI

The Examiner has based his rejections of the claims of GROUP XXI on a view of the prior art that is unsupported by the record. Even after we requested documentary support, the Examiner did not provide any evidence supporting his allegations about the scope and content of the prior art. Accordingly, the Examiner has not presented a *prima facie* case of obviousness of any claim of GROUP XXI.

The proper legal standard under § 103(a) is described above.

22.1.1. No showing that the references suggest issuing a new coupon to said first recipient of said coupon if said benefit of said coupon increases after said first recipient has redeemed said coupon

The Examiner has not shown any reference teaching or suggesting the feature of *issuing a new coupon to said first recipient of said coupon if said benefit of said coupon increases after said first recipient has redeemed said coupon*.

“Official Notice” is Unsupported

The Examiner makes the unsupported assertion that this feature of Claim 72 was “well known and expected in the art.” [Office Action, page 9]. As discussed above, the Examiner has conceded that no *prima facie* case of obviousness of any dependent claim has been established.

There is no reference of record that even remotely suggests issuing a new coupon if the coupon’s benefit has increased after the coupon was redeemed. None of the cited references (Christensen and Kanter) even hints at a feature of *issuing a new coupon to said first recipient of said coupon if said benefit of said coupon increases after said first recipient has redeemed said coupon*. The Examiner’s conclusory and unsupported assessment that Christensen might “suggest” such a limitation is not substantial evidence supported by the record.

22.2. Summary

In conclusion, the Examiner has not set forth a *prima facie* case of obviousness of the claim of Group XXI, none of the references (alone or in combination) disclose or suggest the limitations of the claim of Group XXI, and none of the references (alone or in combination) possesses the advantages conferred by those limitations. Accordingly, for at least those reasons, Claim 72 is patentable in view of the cited references.

E.23. GROUP XXII: Claims 162-167

GROUP XXII includes independent Claims **162-167**.

The rejection of the claims of GROUP XXII is flawed because the Examiner has not made a *prima facie* case of unpatentability of any claim of GROUP XXII.

In particular, the Examiner has not shown all limitations of the claims of GROUP XXII to be disclosed or suggested by the references, alone or in combination, including:

- *changing said benefit of said coupon unless a determination is made that said first qualifying action has not been completed*, as generally recited in Claim **167**.

The rejection is also based on improper combinations and modifications of the references without adequate motivation in the prior art for making the proposed combinations and modifications. The Examiner has thus failed to establish a *prima facie* case of obviousness of the claims of GROUP XXII.

Each of independent Claims **162-166** contains a limitation generally directed to changing (or updating) a benefit of a coupon unless a determination is made (or notice is received) that a qualifying action has not been completed. Accordingly, arguments made herein with respect to Claim **167** are applicable equally to independent Claims **162-166**.

23.1. No Prima Facie Showing of Obviousness of GROUP XXII

The Examiner has based his rejections of the claims of GROUP XXII on a view of the prior art which is unsupported by the record. Even after we requested documentary support, the Examiner did not provide any evidence supporting his allegations about the scope and content of the prior art. Accordingly, the Examiner has not presented a *prima facie* case of obviousness of any claim of GROUP XXII.

The proper legal standard under § 103(a) is described above.

23.1.1. No showing that the references suggest *changing said benefit of said coupon unless a determination is made that said first qualifying action has not been completed*

The Examiner has not shown any reference teaching or suggesting the feature of *changing said benefit of said coupon unless a determination is made that said first qualifying action has not been completed*.

Factual Findings

The closest the Examiner comes is the statement: “Independent claims 162-167 are rejected for substantially the same reasons as independent claim 58,” which is rejected “for substantially the same reasons as independent claim 48,” which is rejected “for substantially the same reasons as independent claim 1.” [Office Action, pages 7, 8, 11].

The Examiner’s cursory findings with respect to independent Claim 1 are discussed above. In summary, the Examiner has asserted that Christensen somehow “shows” or “implicitly shows” all of the features of Claim 1 and that Kanter somehow “shows the ‘variation condition’ elements and limitations of claim 1.”

There is no finding by the Examiner as to how the Examiner has interpreted any language of Claim 167 (or any claim of GROUP XXII), which differs from that of Claim 1, much less any finding as to how any portion of either Christensen or Kanter suggests any subject matter of Claim 167.

It is not clear if the Examiner has even considered the limitations of Claim 167 (or any claim of GROUP XXII). Each of the claims of GROUP XXII includes a limitation generally directed to changing or updating a benefit of a coupon unless it is determined that a qualifying action has not been completed. The Examiner does not even address any such limitation.

Further, the term “benefit variation condition” does not even appear in Claims 164-167.

The Examiner might be relying on Christensen (perhaps in FIG. 14) as somehow “showing” *changing said benefit of said coupon unless a determination is made that said first qualifying action has not been completed*.

In fact, Christensen and Kanter lack any hint of such a feature.

As discussed above, no reasoning or explanation is provided for the Examiner's conclusory statements. We have traversed the omnibus assertions as to what Christensen and Kanter supposedly "show." [Response transmitted March 5, 2003, pages 39 ("Christensen Does Not Suggest All of the Features of All of Claims 1-167") and 40].

With the exception of noting FIG. 14 of Christensen during the first Telephone Interview, the Examiner has never provided any additional findings or clarification in the record. The Examiner has never clarified as to how FIG. 14 in particular shows a "benefit variation" (Claim 1) nor has the Examiner ever asserted any finding of any reference as to any specific limitation of Claim 167.

These Findings Have No Support in the Record

There is no substantial evidence in the record that Christensen or Kanter would suggest *changing said benefit of said coupon unless a determination is made that said first qualifying action has not been completed*.

There is no reference of record that even remotely suggests changing a benefit of a coupon, much less changing the benefit unless it is determined that a qualifying action has not been completed. None of the cited references (Christensen and Kanter) even hints at a feature of *changing said benefit of said coupon unless a determination is made that said first qualifying action has not been completed*. The Examiner's conclusory and unsupported assessment that Christensen might "suggest" such a limitation is not substantial evidence supported by the record.

As noted above, the Examiner has failed to specifically address any limitation of Claim 167, stating only that the reasons for rejection are "substantially the same" as for independent Claims 58, 48 and 1. The Examiner, however, has failed to provide any indication as to how any language of Claim 167 is being interpreted or what reference purportedly suggests any particular feature.

Nowhere in any Office Action has the Examiner asserted what any portion of Christensen explicitly discloses. As discussed above, FIG. 14 is devoid of any hint of "benefit variation" of a coupon. FIG. 14 is a further detail of FIG. 6.

[Column 5, line 24]. Each of FIG. 6 and FIG. 14 illustrates a display coupon menu from which “a consumer may select a coupon for printing by clicking on the coupon or selecting the coupon using a pull-down menu or the like.” [Column 9, lines 9-14].

Thus, there is no suggestion in either figure (or accompanying text) that the benefit of a particular coupon in the Christensen system may vary, much less a condition by which the benefit of a coupon may vary, much less changing the associated benefit of a coupon upon receiving notice of completion of a qualifying action.

Also, contrary to the Examiner’s implied assertion, Kanter is devoid of any hint or suggestion of a “variation condition,” much less for *changing said benefit of said coupon unless a determination is made that said first qualifying action has not been completed*, as recited in independent Claim 167. Kanter describes:

an incentive program which also allows a sponsoring financial institution to issue to participants, rebates...which can be redeemed in cash, coupons, checks, catalog products, trips, goods or service from designated merchants, or any combination thereof

[Column 15, lines 19-25.] Kanter thus describes a system in which a rebate may be redeemed in the form of a coupon. There is nothing in Kanter, however, that would suggest that a coupon in the Kanter system, once issued to a participant, has a variable benefit, or is associated with a condition for such variation. To the contrary, the coupon, like the alternatives of cash or catalog products, is merely a fixed form of the issued rebate.

Accordingly, there is nothing in either Christensen or Kanter, alone or in combination, that would suggest *changing said benefit of said coupon unless a determination is made that said first qualifying action has not been completed*.

In supporting his conclusory characterizations of Christensen and Kanter, the Examiner refers to nearly every line of each reference (see Third Office Action, page 5), none of which is at all relevant to for *changing said benefit of said coupon unless a determination is made that said first qualifying action has not been completed*. We have requested that the Examiner identify the most relevant citations for the disclosure of Christensen that the Examiner believes suggests each particular limitation of Claim 1. [Response transmitted March 5, 2003 (“Christensen Does Not Suggest All of the Features of All of Claims 1-167”), page 39].

Tellingly, with the exception of the reference to FIG. 14 of Christensen, the Examiner has never offered any further clarification or reasoning.

Thus, the references, alone or in combination, do not suggest a limitation of *changing said benefit of said coupon unless a determination is made that said first qualifying action has not been completed*. The Examiner otherwise has failed to provide substantial evidence to support even a *prima facie* case of obviousness. The rejection fails for at least this reason.

23.1.2. No showing that the references suggest associating a first qualifying action with a coupon, whereby a benefit for said coupon changes upon completion of said first qualifying action by a first recipient of said coupon

Similarly, the Examiner has not shown that the references, alone or in combination, suggest *associating a first qualifying action with a coupon, whereby a benefit for said coupon changes upon completion of said first qualifying action by a first recipient of said coupon* as recited in independent Claim 167.

There is no factual finding nor substantial evidence that any reference of record even remotely suggests such a feature. The Examiner's conclusory and unspecified assertion that Christensen "shows" or "implicitly shows" all of the features of every claim is not substantial evidence. Further, the Examiner has not even specifically addressed any of the language of independent Claim 167, much less the above feature. There is nothing in the references that suggests that the benefit of a coupon changes, much less associating a first qualifying action with a coupon, *whereby a benefit for said coupon changes upon completion of said first qualifying action by a first recipient of said coupon*.

23.1.3. No showing of a proper motivation to combine the references

Each rejection, including the rejection of Claim 1, includes a combination of the Christensen and Kanter references. The Examiner simply has not shown a motivation in the prior art of record to modify the references in the manner

proposed by the Examiner, or in any other manner that renders the claims obvious.

The applicable law is discussed above.

No Substantial Evidence of a Motivation to Combine

The Examiner relies on the same asserted motivations for all rejections. As discussed above (with respect to Claim 3 (GROUP I) which depends from independent Claim 1 (GROUP III)), the Examiner has not provided substantial evidence of a motivation to combine the Christensen and Kanter references to provide specifically for the claimed features of either *changing said benefit of said coupon unless a determination is made that said first qualifying action has not been completed* or *associating a first qualifying action with a coupon, whereby a benefit for said coupon changes upon completion of said first qualifying action by a first recipient of said coupon*.

Also, as discussed above, the references are not analogous art.

23.1.4. Level of Skill

Applicable Law

A factual predicate underlying an obviousness determination is the level of ordinary skill in the art. In re Rouffet, 149 F.3d 1350, 1355 (Fed. Cir. 1998). The skill level is one component of the inquiry for a suggestion to combine. In re Rouffet, 149 F.3d 1350, 1359 (Fed. Cir. 1998).

Lacking a motivation to combine, there is no prima facie case of obviousness. In re Rouffet, 149 F.3d 1350, 1358 (Fed. Cir. 1998). If examination at the initial stage does not produce a prima facie case of unpatentability, then without more the applicant is entitled to grant of the patent. In re Oetiker, 977 F.2d 1443, 1445 (Fed. Cir. 1992).

Factual Findings

Though required to do so, the Examiner has not set forth any evidence relating to the level of ordinary skill in the art, and has not even alleged what the level of skill in the art would be. The rejection fails for at least this reason.

23.2. Summary

In conclusion, the Examiner has not set forth a *prima facie* case of obviousness of the claims of Group XXII, none of the references (alone or in combination) disclose or suggest the limitations of the claims of Group XXII, and none of the references (alone or in combination) possesses the advantages conferred by those limitations. Accordingly, for at least those reasons, Claims 162-167 are patentable in view of the cited references.

E.24. GROUP XXIII: Claims 150-153

GROUP XXIII includes independent Claims **150-153**.

The rejection of the claim of GROUP XXIII is flawed because the Examiner has not made a *prima facie* case of unpatentability of any claim of GROUP XXIII.

In particular, the Examiner has not shown all limitations of any claim of GROUP XXIII to be disclosed or suggested by the references, alone or in combination, including:

- *changing [or modifying] said benefit of said coupon upon receipt of an indication of completion of said first qualifying action by said first recipient, as generally recited in Claim 150.*

The rejection is also based on improper combinations and modifications of the references without adequate motivation in the prior art for making the proposed combinations and modifications. The Examiner has thus failed to establish a *prima facie* case of obviousness of the claims of GROUP XXIII.

The other claims of GROUP XXIII are directed to a computer readable medium for use in a coupon system (Claim **151**), an article of manufacture including computer readable program means (Claim **152**), and an apparatus for changing a benefit associated with a coupon (Claim **153**), each including respective means for performing the described functions of (i) associating a qualifying action and (ii) changing (or modifying) a benefit of a coupon upon receipt of an indication of completion of a first qualifying action by a first recipient. Accordingly, the arguments made with respect to Claim **150** are applicable equally to independent Claims **151-153**.

24.1. No Prima Facie Showing of Obviousness of GROUP XXIII

The Examiner has based his rejections of the claims of GROUP XXIII on a view of the prior art which is unsupported by the record. Even after we requested documentary support, the Examiner did not provide any evidence supporting his allegations about the scope and content of the prior art. Accordingly, the Examiner has not presented a *prima facie* case of obviousness of any claim of GROUP XXIII.

The proper legal standard under § 103(a) is described above.

The claims of GROUP XXIII are allowable over the cited references for at least the same reasons stated above with respect to Claim 58 (GROUP XVI). Specifically, there is no showing that the references suggest (i) *changing [or modifying] said benefit of said coupon upon receipt of an indication of completion of said first qualifying action by said first recipient*, or (ii) *associating a first qualifying action with a coupon, whereby a benefit for said coupon changes upon completion of said first qualifying action by a first recipient of said coupon*.

The closest the Examiner comes is the statement: “Independent claims 149-153 is rejected for substantially the same reasons as independent claim 48,” which is rejected “for substantially the same reasons as independent claim 1.” [Office Action, pages 7, 10].

The Examiner’s cursory findings with respect to independent Claim 1 are discussed above. In summary, the Examiner has asserted that Christensen somehow “shows” all of the features of Claims 1 and that Kanter somehow “shows the ‘variation condition’ elements and limitations of claim 1.”

In fact, as discussed above, Christensen and Kanter lack any hint of such features.

There is no factual finding nor substantial evidence that any reference of record even remotely suggests such features. The Examiner’s conclusory and unspecified assertion that Christensen “shows” or “implicitly shows” all of the features of every claim is not substantial evidence. Further, the Examiner has not even specifically addressed any of the language of independent Claim 150, much less the above features. There is nothing in the references that suggests that the benefit of a coupon changes, much less (i) *changing said benefit of said coupon upon receipt of an indication of completion of said first qualifying action by said first recipient*; or (ii) *associating a first qualifying action with a coupon, whereby a benefit for said coupon changes upon completion of said first qualifying action by a first recipient of said coupon*. The rejection fails for at least this reason.

As discussed above, the Examiner has failed to show substantial evidence of a proper motivation to combine the cited Christensen and Kanter. The rejection fails for at least this reason.

As discussed above, the Examiner has failed to set forth any evidence relating to the level of ordinary skill in the art, and has not even alleged what the level of skill in the art would be. The rejection fails for at least this reason.

24.2. Summary

In conclusion, the Examiner has not set forth a *prima facie* case of obviousness of the claims of Group XXIII, none of the references (alone or in combination) disclose or suggest the limitations of the claims of Group XXIII, and none of the references (alone or in combination) possesses the advantages conferred by those limitations. Accordingly, for at least those reasons, Claims **150-153** are patentable in view of the cited references.

E.25. GROUP XXIV: Claims 94 and 144-146

GROUP XXIV includes independent Claims **94 and 144-146**.

The rejection of the claims of GROUP XXIV is flawed because the Examiner has not made a *prima facie* case of unpatentability of any claim of GROUP XXIV.

The system and article of manufacture claims of GROUP XXIV include limitations substantially similar to those of independent method Claim 1 (GROUP III).

According to the Examiner's chain of referential bases for rejection, the Examiner has apparently rejected all of the claims of GROUP XXIV (Claims **94 and 144-146**) as being obvious "for substantially the same reasons as independent claim 1." [See, Office Action, pages 7 (equating rejection of Claim **48** to that of Claim 1) and 10 (equating rejection of Claim **94** to that of Claim 1, rejection of Claim **144** to that of Claim **48**, and rejection of Claims **145 and 146** to that of Claim 1)].

The Examiner has failed to establish a *prima facie* case of obviousness of the claims of GROUP XXIV for the same reasons stated above with respect to independent Claim 1 (GROUP III). In particular, the Examiner has not shown all limitations of the claims of GROUP XXIV to be disclosed or suggested by the references, alone or in combination, including recited means to:

- *establish a benefit variation condition for said coupon, said benefit variation condition having at least one associated qualifying action; or*
- *update said coupon's benefit in accordance with said benefit variation condition.*

The rejection is also based on improper combinations of the references without adequate motivation in the prior art for making the proposed combinations and modifications. The failure of the Examiner to provide substantial evidence of a proper motivation to combine the references is discussed above with respect to independent Claim 1 (GROUP III). The failure of the Examiner to make any finding of a level of skill in the art is discussed in Section above with respect to Claim 3 (GROUP I).

The Examiner has failed to establish a *prima facie* case of obviousness of the claims of GROUP XXIV for at least these reasons.

Aside from the Examiner's failure to establish a *prima facie* case, the references do not teach or suggest any such features, as discussed above with respect to Claim 3 (GROUP I).

Accordingly, for at least those reasons, Claims **94 and 144-146** are patentable in view of the cited references.

E.26. GROUP XXV: Claims 95 and 147-149

GROUP XXV includes independent Claims **95 and 147-149**.

The rejection of the claims of GROUP XXV is flawed because the Examiner has not made a *prima facie* case of unpatentability of any claim of GROUP XXV.

The system and article of manufacture claims of GROUP XXV include limitations substantially similar to those of independent method Claim **48** (GROUP XI).

According to the Examiner's chain of referential bases for rejection, the Examiner has apparently rejected all of the claims of GROUP XXV (Claims **95 and 147-149**) as being obvious "for substantially the same reasons as independent claim 1." [See, Office Action, pages 7 (equating rejection of Claim **48** to that of Claim **1**) and 10 (equating rejection of Claim **95** to that of Claim **1**, rejection of Claims **147 and 148** to that of Claim **1**, and rejection of Claim **144** to that of Claim **48**)].

The Examiner has failed to establish a *prima facie* case of obviousness of the claims of GROUP XXV for the same reasons stated above with respect to independent Claim **48** (GROUP XI). In particular, the Examiner has not shown all limitations of the claims of GROUP XXV to be disclosed or suggested by the references, alone or in combination, including recited means to:

- *changing said coupon's associated benefit a first amount upon receiving notice of a completion of said first qualifying action.*

The rejection is also based on improper combinations of the references without adequate motivation in the prior art for making the proposed combinations and modifications. The failure of the Examiner to provide substantial evidence of a proper motivation to combine the references is discussed above with respect to independent Claim **48** (GROUP XI). The failure of the Examiner to make any finding of a level of skill in the art is discussed above with respect to independent Claim **48** (GROUP XI).

The Examiner has failed to establish a *prima facie* case of obviousness of the claims of GROUP XXV for at least these reasons.

Aside from the Examiner's failure to establish a *prima facie* case, the references do not teach or suggest any such features, as discussed above with respect to Claim **48** (GROUP XI).

Accordingly, for at least those reasons Claims **95 and 147-149** are patentable in view of the cited references.

F. Conclusion


It is submitted that all of the claims are in condition for allowance. The Examiner's early re-examination and reconsideration are respectfully requested.

Please charge any fees that may be required for this Amendment to Deposit Account No. 50-0271. Furthermore, should an extension of time be required, please grant any extension of time which may be required to make this Amendment timely, and please charge any fee for such an extension to Deposit Account No. 50-0271.

If the Examiner has any questions regarding this amendment or the present application, the Examiner is cordially requested to contact Michael Downs at telephone number (203) 461-7292 or via electronic mail at mdowns@walkerdigital.com.

Respectfully submitted,

November 29, 2004
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